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INDIA IN WORLD POLITICS

A HISTORICAL ANALYSIS AND APPRAISAL

By

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To
ANASUYA DEVI
who could have had this ten years
earlier, but for my peripatetic life
and gypsy habits.

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PREFACE

I had hoped to present this book to his late Highness the Maharaja Sayaji Rao Gaekwar of Baroda, who was responsible for interesting me in the study of international affairs by awarding me a scholarship for this purpose on behalf of his State fifteen years ago, but the maelstrom of politics, which every student in England of my time got lost in as a result of the failure of the Second Round Table Conference in 1931, was responsible in part for my inability to continue my legal studies in London, Geneva and the Hague, and for the peripatetic life I had come to lead in the subsequent years. The first Indian address received by the Grotius Society, London, that distinguished international body, was from me in March 1931, entitled "India's International Status", preceded almost by one year by my paper on the same subject, again the first outside Indian paper ever accepted, for the Royal Institute of International Affairs, London.

Fifteen years are a large slice from the life of an individual, and especially of one who had commenced these legal and political studies almost in his teens and at the most impressionable period of his life, wandering about from country to country both in the West and in the East in search of knowledge and fellowship of the mere humans of the world.

The near two decades since I went up to London and got lost, subsequently, in the morass of the life of a public worker, speaker and newspaperman, coincide with the most terrific period in our country's life, with the people daily mounting up their struggle to achieve their independence. My own contribution to the delimitation of India's extra-territorial problems has been very modest, but looking back I feel gratified that there was hardly any subject of first-rate national importance to India, in relation to her place in world politics, which I had not touched at various stages in these two decades of our insistent struggle for freedom. In fact, *India in World Politics* is almost a personalised account of what I had written and said during the past twenty years, both in and outside India, even though it is completely re-written for the purpose of unity of approach and symmetry of treatment. Indeed, there is something of an autobiographical approach which emerges from a study of the following pages, in the sense that the reaction of a sensitive Indian mind to the impact of world affairs, in their fundamental delimitation contrived by the ever-tightening grip of British

dominion over my country and my people, is available in this book. I believe that the recalling of the things of the past twenty years, in terms of my personal experience and study of the problems involved, is something of a contribution which offers a psychological approach of the mind of the average Indian to the ruling race and to the other free peoples of the world today.

My professional life prevents me from sitting down at a stretch and from driving my quill within the seclusion of a cloistered cell to write this book. The following pages were dictated to my stenographer, as if I were addressing an audience, with such revision as was possible during the course of a day's work and over a period of months, which have seen the world scene shifting almost every minute, with reference to India, with tremendous rapidity. As the printer's proofs came in, an effort has been made to catch up with up-to-the-minute information in relation to India's place in world politics, but the reader will see that the first chapter was printed before the International Monetary Conference at Bretton Woods took place and that the last chapter was finally passed after the conclusion of the International Businessmen's Conference at Rye in the New York State, with the result that he will find an occasional gap between the beginning and the finish. But I am sure that my reader will give me the point that an effort has been made by me to catch up with care the phenomenal and fast-moving events of the world during June and December 1944. Even these small omissions, which are found inevitable from the productional point of view, are not likely, I am sure, to vitiate my main argument concerning India's freedom and the international recognition of India's freedom today and tomorrow.

I would like to believe that *India In World Politics* is a more or less personal testament of an average Indian to the future Peace Conference. If this little contribution of mine to a study of the vital problems of India's place in the world community of today and tomorrow serves as a fingerpost to the eternal problems of India's freedom, I would certainly be completely satisfied. I had intended to give a thousand printed pages on the legal and political implications of India's place in world politics. Those dreams were shattered by the limitations of my professional work on the one hand, and by the Paper Economy and Control Orders of the Government of India on the other, with the result that this little volume is launched, even without any attention to the purely productional points, in the hope that we in this country might not miss the bus, so to speak, by not submitting our case well in advance of the future Peace Conference, which is to lay down the law for the world as a whole.

LANKA SUNDARAM.

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The Third British Empire, like the Third Estate, is now undergoing a very unique experience of reorganization. What was once acclaimed to be the most magnificent conglomeration of peoples under one common flag, with one common allegiance to the Crown, is now subject to centrifugal tendencies which are likely to break up the British Commonwealth of Nations into groups of independent peoples. It is not that forces are not operating in the opposite direction, to secure the continued existence of the British Empire and Commonwealth as a closely-knit and compact unit of co-operative governance. The present international hostilities have undoubtedly brought the Colonial and Commonwealth units and India into closer association than was ever possible, because the preservation of the British Empire and Commonwealth is now a problem involving the survival of the British people in war and peace, and we have the assurance of Mr. Winston Churchill that he is not prepared to preside as the King's first minister over the liquidation of this Empire and Commonwealth. Indeed, in the grave hour of peril, which was symbolized by the outbreak of international hostilities in 1939, there was a concourse of activity and effort on the part of the various units of the Empire and Commonwealth to prevent a British defeat even before Mr. Churchill became the King's first minister. Now that Britain is on the road to victory, we have, however, the Atlantic Charter denied as the legacy of Anglo-American diplomacy and statesmanship, to the suppressed peoples of the world!

When peace was won in 1919, thanks largely to the magnificent contributions in men and money made by India and the other units of the then British Empire, Mr. Lloyd George told his people

that he would make Britain a land fit for heroes to live in, President Wilson told the world that the principle of self-determination would become the manna to the suppressed peoples wherever they be, and India was promised constitutional and political reform which was capable of leading us to the goal of national autonomy. But even a quarter of a century after the Peace of Paris, Britain did not become the land fit for heroes to live in, the principle of self-determination did not become the manna to the suppressed peoples of the world, and India did not achieve that national autonomy which any self-respecting people would like to possess as a heritage of the present and the future.

The natural sequel to demonstrations of the unity of the British Empire and Commonwealth in the last Great War was the recrudescence of fissiparous tendencies within its framework in the most unmistakable manner possible. Imperial Britain's promises to her wards were not kept, with the result that the Irish Rebellion preceded the conclusion of the Anglo-Irish Treaty of 1921, the Indian Civil Disobedience Movement assumed almost dangerous proportions in the wake of the Montagu-Chelmsford Reforms, the Afrikaaner raised the standard of the republican flag in the Union of South Africa, and Western Australia almost repudiated British Consols. A narrative of these significant developments of the inter-war period is not to be pursued here for proving the untenability of the British conception of co-operative action between various peoples in the world, but is only given as an index of the manner in which the United Kingdom still remains to reckon with the dangerous parallelogram of forces which exists within the framework of her Empire and Commonwealth.

It is said that the British Empire was built up in a fit of absent-mindedness, that is to say, that it was never the product of planned economy or conscious growth. The Pilgrim Fathers left Britain in a mood of disgust generated by the religious persecution of the Stuarts and created the nucleous of the United States of America, which were only to be lost to the Union Jack as a result of the unworthiness of the then existing Colonial policy of Britain. Canada and Newfoundland were brought into the framework of the British Empire as a result of the buccaneer exploits of the early Sea Dogs of England. The fall of Quebec in 1771 was but one of the series of incidents which have gone to make possible the growth and sustenance at the point of the sword of this artlessly carved collossus of the British Empire. Nor do we find any conscious design in the creation and maintenance of the group of Republics which ultimately merged itself into the present Union of South Africa after the conclusion of the bloody Boer War at the dawn of the present century. The slave trade brought the Union Jack into profitable intercourse with the peoples of the Black Continent. It was the slave trade which incidentally made Africa the battleground of the Imperial Crown. It was the slave trade, again, which motivated the grue-

some conflict between England and her wards and ultimately brought about the capitulation of the British Empire in favour of complete colonial autonomy. This was as late as the year 1911. Two decades earlier, the Commonwealth of Australia Act was entered in the statute book as indicating a new departure in the constitutional practice of the British Empire, with implications far more fundamental than those of the Durham Report and the British North America Act of 1867 which brought into existence the Dominion of Canada. The ex-convict settlements of Australia today proclaim their national sovereignty to the world in a manner which could not have been dreamt of by Capt. Cook even in his wildest moments of existence as a standard-bearer of Rule Britannia. No detailed examination of the political and constitutional developments in Newfoundland and New Zealand need be undertaken here, for they conform to the general type of Colonial and later Dominion developments within the framework of the British Empire and Commonwealth.

Joseph Chamberlain in his time exulted in the "ownership" by Britain of India as a glorious empire, and this ownership idea persisted even during the regenerate days of the XX century. It is the "ownership" idea which the articulate sections of Indian people have revolted against during the past half a century, and this fight against imperial possession has now assumed the form of the fight for Indian independence. This fight has during the inter-war period gathered a momentum which has surprised even the most ardent patriot in this country, and though the goal is still not within sight, the people of this country are stout-hearted enough not to cease fighting for freedom. The final settlement of the Indo-British problem, and through it the stabilization of India's place in the world, is still to be, but a historical analysis of the manner in which Britain dealt with the fortunes of her ward is illuminating, in so far as it establishes the cardinal principles of her approach to India in the past, and demonstrates the possibilities for the future. The following pages indicate the manner in which this inexorable historical process of loosening India from the grip of the idea of British Imperial possession towards achieving freedom proceeded from precedent to precedent.

INDIA AT COLONIAL CONFERENCES

Structurally speaking, the position of India in the British Empire and Commonwealth is based upon the might of the British sword and the army of occupation maintained in this country for nearly two centuries. It has been a well-known practice of Imperial Powers to endeavour to demonstrate to the world that they are ruling over the fortunes of their colonial or dependent countries with the consent of the peoples concerned, for there are always available men willing to rise in Imperial favour and to dominate the fortunes of their fellow-countrymen for their own personal gain. John Company held sway over the fortunes of India in the true traditions of the mercantilist school of economy, viz.,

the exploitation of the resources of our sub-continent in the specific interest of its stock-holders and with the undisputed authority of the sword behind it. The assumption of the Imperial Crown by Queen Victoria seven decades ago naturally involved a change in the method of approach by Britain to the Indian question, though the establishment of British parliamentary sovereignty over the Empire of India did not alter in essence the domination of Britain over the people of this country.

Thirty years after India passed from the hands of John Company to the care of the Government of Great Britain, her place in the British Empire underwent a noticeable change. This transformation was due to a large extent to the work of the old Colonial Conferences, which later gave place to the Imperial Conferences of the present century. An examination of India's part in the Colonial Conferences is necessary for our purpose, in so far as it illustrates the tortuous processes which our country was put through before she was allowed to acquire the semblance of external autonomy and expression in the councils firstly of the British Empire and the Commonwealth, and later on of the outer world.*

The origin of the Colonial Conferences cannot be said to have been fortuitous. In her speech proroguing the Houses of Parliament in 1886, Queen Victoria drew attention to "the interest which, in increasing degree, is evinced by the people of this country in the welfare of Colonial and Indian fellow-subjects," and indicated the necessity for closer consultation between the Home authorities and the governments of the self-governing colonies. The first Colonial Conference of 1887 was a direct result of this speech, but at that Conference even the perfunctory representation of India of later years was not secured. The functions of this Conference were purely consultative, and intended to secure unanimity in matters of common interest to the Empire, such as defence and commercial questions in their widest connotation. The Conference was presided over by the Secretary of State for Colonies, Sir Henry Thurston Holland, who by that time had succeeded Edward Stanhope, who was responsible for the original British communication to the Colonial Governments informing them about the organization of this Conference. On April 4, 1887, the Marquis of Salisbury, the British Premier, welcomed the Premiers of self-governing Colonies to this Conference, and Viscount Cross, the then Secretary of State for India, was formally present along with other members of the Cabinet. On May 4, the delegates proceeded to Windsor and presented an address to the Queen and offered their felicitations to her on the completion of fifty years of her prosperous rule, which "witnessed the

See my papers entitled "India and the Imperial Conference" in the *Asiatic Review*, London, April and July, 1930, Vol. XXVI. Nos. 86 and 87, wherein a very exhaustive examination of the proceedings of all the Colonial Conferences was made.

number of your . . . . subjects of the Asiatic race in your Indian Empire increase from 96 million to 254 million." But no official representation for India was secured at this Conference. It is clear that at the first Colonial Conference, India's position as the brightest star in the diadem of the Queen was only affirmed in terms of this excerpt from the address to the Queen, and it was just an occasion for rejoicing over the manner in which British domination over the Indian sub-continent gradually extended itself during half a century of Queen Victoria's remarkable rule.

But the question of India's interests immediately presented itself to the delegations of the Colonial Conference of 1887. The point that gave occasion to considerable anxiety to the Conference centred round the plea for granting exemption to Australia of the financial contribution for the maintenance of cable communications of the Empire cutting through the Indian sub-continent. Edwin H. Rea, Joint Secretary to the Post Office of Great Britain, submitted a memorandum to the effect that Australia could not make the contribution on account of the Imperial Contract for the India and China services. The Conference then made a reference to the India Office with a view to eliciting the position with regard to the Indian tariff rate for telegraphic communications. The India Office, which at that time was presided over by Lord George Hamilton, simply forwarded to the Conference a copy of the despatch of the Government of India dated February 2, 1886, which gave a remarkable exposition of the Indian interests in regard to the proposed concessions to Australia in the matter of Eastern telegraphic communications.

In this masterly survey of the question, Lord Dufferin's Government in India pointed out that Australia was entirely dependent upon the Eastern Extension Company for its telegraphic connection, and that the tariff for messages was "so high as to be almost prohibitive." Of the 12.90 francs charged for every word, the Eastern Telegraphic Company, which controlled the route between England and India, secured 3.50 francs, the Government of India .75 franc, and the Eastern Extension Company, administering the route between India and Australia, 8.65 francs. The Australian Government's plea for a reduction of the India transit rates was, the Government of India contended, "unfair." They further pointed out that the Australian Government had made a "bad bargain" with the Eastern Extension Company, and were not "in a position to secure fair treatment for themselves except on the Company's terms." The Government of India then asked the question: "How far should we be justified in risking the interests of this country in order to extricate the Australian Government from their dilemma and securing for them an advantage for which they have no claim on this country and for which they have not, in equity, any title?" They observed that, even though India was entitled to the proportion of a franc per word, they were contented with the existing rate of .75 franc, and argued for the retention of the latter on grounds of modera-

tion and, in equity, the amount of work done by the Indian Department, and of policy. They finally rounded off their despatch in the following remarkable manner: "India is not now in a position to make any gratuitous sacrifice of revenue whatever, still less would it be politic to yield to a demand which is openly declared to be made with a view to eventually wresting from this country the whole of its revenue." Sir Arthur Blyth, Agent-General of Southern Australia, recognized that the Government of India would "very much deprecate any interference with the revenues of India," and the episode ended in a signal victory for this country, the voiceless dependency she was at that time, resulting in the retention of this source of revenue from telegraphic communications. The second Colonial Conference was held at Ottawa in 1894, but no problems concerning India were discussed.

The celebration of the sixtieth anniversary in 1897 of Queen Victoria's accession to the throne brought again the Premiers of self-governing Colonies to London, and their presence was made use of for the convocation of the third Colonial Conference. Joseph Chamberlain was then the Secretary of State for Colonies, and the philosophy of imperial responsibility and trusteeship, which this great British statesman was imbued with, was largely responsible for such success as this Conference had achieved. Little by little, Indian public opinion was at this time becoming articulate, and the establishment of the Indian National Congress in 1885 was a sure sign that India would resent and resist being rejected from entry into the portals of the Colonial Conferences and gagged while their deliberations proceeded. Mahatma Gandhi's work in South Africa on behalf of the Indian domiciled communities had also its repercussions on British statesmanship and policy, and curiously enough the Indian question in South Africa became one of the biggest battles ever fought by the India Office inside the ambit of the Colonial Conferences.

In a brilliant memorandum presented to this Conference, Joseph Chamberlain surveyed the legislation which was put on the statute books of some of the self-governing Colonies of the Empire against Asiatic, particularly Indian, labour, and delivered to the Conference one of his famous perorations in the cause of humanity in general and India in particular. I do not hesitate to quote *in extenso* portions of this brilliant speech, if only to show the tragic manner in which British statesmanship has fallen from its idealism of the XIX century and also rejected responsibility for the preservation of India's interests not only inside the Empire but also with reference to the outside world during the XX century.

Joseph Chamberlain declared: "One of the questions I have to mention, and only one; that is, I wish to direct your attention to certain legislation which is in process of consideration, or

which has been passed by some of the Colonies with regard to the immigration of aliens, particularly Asiatics.

"I have seen these Bills and they differ in some respects one from the other, but there is none of them, except perhaps the Bill which comes to us from Natal, to which we can look with satisfaction. I wish to say that Her Majesty's Government thoroughly appreciate the objects and needs of the Colonies in dealing with this matter. We quite sympathize with the determination of the white inhabitants of these Colonies, which are comparatively in close proximity to millions and hundreds of millions of Asiatics, and that there shall not be an influx of people alien in civilization, alien in religion, alien in customs, whose influx, moreover, would most seriously interfere with the legitimate rights of the existing labour population.

" Emigration of this kind must, I quite understand in the interests of the Colonies, be prevented at all hazards, and we shall not offer any opposition to the proposals intended with that object, but we ask you also to bear in mind the traditions of the mind, the traditions of the Empire, which make no distinction in favour of, or against, race or colour; and to exclude by reason of their colour, or even all Asiatics, would be an act so offensive to those peoples that it would be most painful, I am certain, to Her Majesty to have to sanction it.

"Consider what has been brought to your notice during your visit to this country. The United Kingdom owns as its brightest and greatest dependency that enormous Empire of India, with 300,000,000 of subjects, which are as loyal to the Crown as you are yourselves, and among them there are hundreds of thousands of men who are every whit as civilized as we are ourselves, who are, if that is anything, better born in the sense that they have older traditions, who are men of wealth, men of cultivation, men of distinguished valour, men who have brought whole armies and placed them at the service of the Queen, and have in times of great difficulty and trouble—such, for instance, as on the occasion of the Indian Mutiny—saved the Empire by their loyalty. I say, you, who have seen all this, cannot be willing to put upon those men a slight which, I think, is [*sic*] absolutely necessary for your purpose, and which would be calculated to provoke ill-feeling, discontent, irritation, and would be most unpalatable to the feelings not only of Her Majesty the Queen but of all our people.

"What I venture to think you have to deal with is the character of the immigration. It is not because a man is of a different colour from ourselves that he is necessarily an undesirable immigrant, but because he is dirty or is immoral or is a pauper, or he has some other objection which can be defined in an Act of Parliament, and by which exclusion can be managed with regard to all those whom you really desire to exclude. Well, gentlemen, this is a matter, I am sure, for friendly consultation between us. As I have said, the Colony of Natal has arrived at

an arrangement which is absolutely satisfactory to them, I believe; and remember, they have, if possible, even greater interest than you, because they are closer to the immigration which has already begun there on a very large scale, and they have adopted legislation which they believe will give them all that they want, and to which the objection I have taken does not apply, which does not come into conflict with this sentiment, which I am sure you share with us; and I hope, therefore, that during your visit it may be possible for us to arrange a form of words which will avoid hurting the feelings of any of Her Majesty's subjects, while at the same time it would amply protect the Australian Colonies against any invasion of the class to which they will justly object."

I have discussed the problem of Indians overseas in a later chapter, and the only comment which is necessary on Joseph Chamberlain's remarkable enunciation of the attitude of Great Britain to Indian questions within the framework of the old Colonial Conference is that the silken strand of Imperial possession of India was sought to be utilized to bind together the units of the Empire. The Boer War was still to be, and the resurgence of the *swadeshi* Movement of 1905 in India was also to be. As Joseph Chamberlain put it, "the United Kingdom *owns* (*italics* mine) as its brightest and greatest dependency that enormous Empire of India," and nothing should be done by the White slave drivers of South Africa and Australia to injure the feelings of Her Majesty's Indian subjects, though anything may be done in a legalistic form which is capable of securing the objects held dear by the self-governing Colonies of the Empire at the end of the last century!!

Joseph Chamberlain's efforts were not crowned with definite results, and the Conference in a cryptic resolution recorded their views in the following manner: "On the question of the legislative measures which have been passed by the various Colonies for the exclusion of the coloured immigrants, a full exchange of views took place, and though no definite agreement was reached at the meeting, as the Premiers desired to consult their colleagues and Parliaments on the subject, Her Majesty's Government have every expectation that the natural desire of Colonies to protect themselves against an overwhelming influx of Asiatics can be obtained without placing a stigma upon any of Her Majesty's subjects on the sole ground of race or colour." This innocuous resolution of the Colonial Conference of 1897 was itself rendered nugatory by some of the self-governing Colonies of the Empire in the early decades of the present century, and, as will be seen later, Indenture as the ordained form of Indian labour emigration to the British Colonies at this period continued to disfigure Britain's liberal idealism, dragging into dust the loud protestations of the British Government.

The fourth Colonial Conference was held in 1902, but no specific question affecting India was brought within its purview.

The fifth Colonial Conference was held in 1907, preceded by efforts made two years earlier to put the Conference on a permanent footing, with scope for its better organization. Paragraph 13 of the circular of the Secretary of State for Colonies of April 20, 1905, stated that "India, whenever her interests require it, would also be represented" at these Colonial Conferences. Thus, nearly thirty years after the birth of the Colonial Conference, which at this period was renamed the Imperial Council, India was able to secure representation in an *ad hoc* manner. When the Conference was presided over by the Earl of Elgin in 1907, Sir Henry Campbell-Bannerman, the then British Premier, informed the delegates that Sir James Mackay (later first Lord Inchcape), a member of the India Council, would intervene "if any question should arise with regard to India." The time was still to be when India was to secure representation at these conferences of empire representatives on a broader and more agreeable basis.

The Colonial Conference of 1907 is important in several respects. Firstly, it defined the constitution of the future Imperial Conferences. The Prime Minister of Great Britain was to be the *ex-officio* Chairman of the Imperial Conferences, while the Premiers of self-governing Colonies were *ipso facto* to be their members. The Secretary of State for Colonies was given the right of automatic representation, and deputized as Chairman in the absence of the British Prime Minister, and the 'observer' system was continued with respect to India. Except under special circumstances, not more than two persons could speak on behalf of each Government which would have only one vote—a procedure which was later adopted by the Assembly of the League of Nations. This conference passed important resolutions with respect to Colonial representation on the Committee of Imperial Defence; the Imperial General Staff for Service in the Empire; Immigration and Naturalization; Judicial appeal to and the systematization of the work of the Privy Council; Preferential trade within and commercial relations between the Empire Group of countries; British shipping; Navigation laws and coastwise trade; Treaty obligations; Uniformity of trade marks and patents; Trade statistics and Company Law within the Empire; International penny postage; Imperial cable communications; and the development of communications within the Empire. It will be seen that, at the beginning of the current century, the problems awaiting adjustment as between the members of the British Empire and Commonwealth group of countries grew not only in number but also in complexity, very naturally bringing India into the forefront of contact with the other parts of the Empire.

As far as India was concerned, the most important question discussed at this Conference related to preferential trade within the Empire on a scheme which was sponsored by Sir Joseph Ward, the Premier of New Zealand. The Australian Premier, Mr. Deaken, singled out India as being the pivot of the whole discus-

sion. With a note of general approval from the Conference, he drew attention to the fiscal policy of the Government of India and the methodology of the then Finance Member of India, Sir Edward Law, who brought out a very important Blue Book entitled *East India Tariffs: Views of the Government of India on the question of Preferential Tariffs* published in 1904. The approach of the Government of India to this stupendous problem of our country's overseas trade at that time was that it took each country separately with which India had commercial dealings and arrived at the quantum of trade. Then the subject matter of the trade with each country was defined and its value to the customer country considered, and one significant feature of the trade position of India at the beginning of the present century was discovered to be the steady fall in imports from Great Britain as compared with those of foreign countries. I have discussed in another chapter dealing with India's foreign trade this question of India's fight at the last Colonial Conference against any imposition of Imperial preference, and for our present purpose it is only necessary to emphasise the growing importance which the then Government of India attached to the specific protection of Indian rights *vis-a-vis* of the rest of the Empire.

One of the most significant passages from the official memorandum from India to this Conference must, however, be noticed here. The Imperial Conference of 1907 was preceded by an All-India agitation in favour of *swadeshi*, and there was a growing desire in this country at that time in favour of protection to industries through tariff action. This official document stated: "If, however, the principle of differential treatment of British imports, for the benefit of the United Kingdom and other members of the Empire, is introduced, with its concomitant risk and sacrifice to the Indian tariff system, the change may be regarded as implying the abandonment of a tariff for revenue purposes only. The claim may probably be made that India will fall into line with the Colonies in this matter, and it should be allowed to spread its example in order to develop its own industry by the imposition of protective duties such as are levied by self-governing Colonies on goods imported from the United Kingdom"—a prophecy the implications of which are valid even today. The first Lord Inchcape, then Sir James Mackay, the spokesman for India, declared that "it is a matter of deep regret to those responsible for the Government of India that they should find themselves at variance on this important question with the statesmen of the several self-governing Dominions of the Empire," and observed that "it was obviously the interest of India to retain the goodwill of our foreign customers" in the sphere of India's overseas trade. Despite this emphatic protest from the nominated non-Indian representatives of this country to the Imperial Conferences of 1907, a resolution sponsored by Sir Joseph Ward, as amended by Mr. Lloyd George, the then President of the British Board of Trade, was passed as follows: "That

it is advisable in the interests of both the United Kingdom and His Majesty's Dominions that efforts in favour of the British manufactured goods and British shipping should be supported as far as practicable."

INDIA AT IMPERIAL CONFERENCES

The first Imperial Conference as such was held in 1911 and, as usual, Indians overseas problems figured prominently in its deliberations. Even at this Conference Indian representation was of an *ad hoc* character. Lord Morley, who was then the Secretary of State for India, anticipating apparently the tremendous political importance of the Minto-Morley Reforms to this country, joined issue with His Majesty's Government on a technical point connected with the publication of trade statistics within the Empire. Even as far back as 1891, His Majesty's Government pressed the need for uniformity of trade statistics within the Empire countries, a proposition to which the India Office could not agree. In view of the fact that the fiscal year was the basis for compilation of trade statistics in this country, it was found to be not possible for the Government of India to effect any changes, since statistical comparisons with past years would be rendered difficult for a long time. In a memorandum to the British Board of Trade even as early as February 27, 1908, the Government of India declared: "We are strongly of opinion that any change is, from the point of view of India, greatly to be deprecated, and we consider that the advantages to be gained from the adoption of the calendar year will more than outweigh the break in continuity that will result." It is interesting to note that the pressure of His Majesty's Government on Lord Morley to get this change made in the practice of the Government of India was futile, since that Secretary of State declined to direct the authorities in India to truck in with the views of the British Board of Trade.

The outbreak of the last Great War in 1914 and the holocaust which the Empire countries in particular went through during those four fateful years, very prominently brought India into the sphere of imperial discussions. The immensity of the contribution made by this country towards ensuring success for England against Germany, which was variously estimated as including a supply of 3,000,000 combatants and hundreds of crores of rupees worth of war material and war costs, naturally wrought a change in the attitude of the self-governing dominions of the British Empire and Commonwealth towards India's place in the Imperial system. India was actually ruled from the Whitehall, but even without the doubtful benefits of the Montagu-Chelmsford Reforms of the early post-war period it was found necessary that she should be given some definite voice in the councils of the Empire, though Indian representation was still to be perfunctory and even bureaucratic. Incidentally, the relations between the United Kingdom and the self-governing Dominions of the Empire and Commonwealth were also undergoing a tremendous change dur-

ing this period, but whatever modicum of devolution of autonomy the self-governing Dominions were able to obtain from year to year during this period had also its reflex effect upon the status and function of India inside the councils of the Empire.

At the Imperial War Conference of 1917, the following resolution was passed: "That the Imperial War Conference desire to place on record its view that the resolution of the Imperial Conference of 20th April, 1907 should be modified to permit of India being fully represented at all future Imperial Conferences, and that the necessary steps should be taken to secure the assent of the Dominion governments in order that the next Imperial Conference may be summoned and constituted accordingly." At this very Conference, another resolution was passed which declared that "any readjustment of the constitutional relations of the component parts of the Empire was too important and intricate a subject to be dealt with during the war, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities." This resolution further placed on record the view "that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth and of India as an important portion of the same, should recognize the right of Dominions and India to an adequate voice in foreign policy and in foreign relations, and should provide effective arrangements for continuous consultation of important matters of common Imperial concern, and for such necessary concerted action founded on consultation, as the several Governments may determine." The records of the Imperial War Conferences of 1917 and 1918 contain lurking suspicions on the part of some of the Dominion Governments, particularly Australia, about the need and justification for the accession of these rights (which even today we in this country do not consider to possess any substance), to India, but war-time necessity compelled His Majesty's Government to nominate Indian representatives to the Imperial War Cabinet and to the Imperial War Conferences of those two years, and the late Maharaja of Bikaner and the late Lord Sinha functioned alongside the Secretary of State for India for the time being functioned as the representatives of this country, not only at these Cinferences but also at the Peace Conferences of Paris.

I have already referred to grumblings on the part of Dominions at this alteration in India's place in the Imperial scheme. Curiously enough, it is interesting to note that General (now Field-Marshal) Smuts of South Africa, Sir Robert Borden of Canada and Sir Joseph Ward of New Zealand, generally supported this claim of India to a semblance of equal representation inside the Councils of the Empire, though Mr. Vincent Massey, the Premier of Australia, even doubted the competence of the Imperial War Conference of 1917 to effect a change in the consti-

tution of the general Imperial Conferences, the first of which started in 1911 and was succeeded by others right through the inter-War period. Sir Satyendra (later first Lord) Sinha, one of the representatives of this country to the Imperial War Conference of 1917, was successful in getting a very vital amendment in connection with the constitutional resolution, quoted above, through this Conference. He said: "The foreign policy and the foreign relations of the Empire are to a very large extent concerned with India and, therefore, it is only right that India should be represented in the Conference for the purpose of dealing with such foreign policy and foreign relations As a corollary of that amendment, I propose another consequential one, viz., that instead of the words 'should recognize their right to an adequate voice in foreign policy and in foreign relations,' in order to make it perfectly clear we should say 'in order to recognize the right of the Dominions and of India to an adequate voice in foreign policy.'"

Another important contribution made by the representatives of India at the Imperial War Conferences of 1917 and 1918 related to what is now known as the Reciprocity Resolution governing the relationships of India and the self-governing Dominions of the Commonwealth in respect of Indian emigration. The Imperial War Conference of 1917 passed the following resolution: "That the Imperial War Conference, having examined the memorandum on the position of Indians in the Self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the Memorandum to the favourable consideration of the Governments concerned." Obviously impressed with the need for putting an end to the colossal amount of hardship suffered by Indian emigrant communities in the British Empire group of countries at this period, which was dominated by the Indenture System, the India Office brought in this Reciprocity Resolution which was moved by Sir Satyendra Sinha in the Imperial War Conference of 1918. The resolution runs as follows: "The Imperial War Conference is of opinion that effect should now be given to the principle of reciprocity approved by the resolution XXII of the Imperial War Conference of 1917. In pursuance of that resolution it is agreed that: (1) it is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities; (ii) British citizens domiciled in any British country including India, should be admitted into any other British country for visits, for the purpose of pleasure or. commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity as follows: (a) The right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country

to the same conditions in visiting India as those imposed on Indians desiring to visit such country; (b) Such right of visit or temporary residence shall, in each individual case, be embodied in a passport or written permit issued by the country of domicile and subject to *vise* there by an officer appointed by and acting on behalf of the country to be visited, if such country so desires; (c) Such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement; (iii) Indians already permanently domiciled in other British countries should be allowed to bring their wives and minor children, on condition that (a) not more than one wife and her children shall be admitted for each such Indian, and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian; (iv) The Conference recommends that other questions covered by the memoranda presented this year and last year to the Conference by the representatives to India, in so far as not dealt with in the foregoing paragraphs of this resolution, to the various Governments concerned with a view to early consideration."

This position was unanimously adopted by the Conference in 1918 in the following terms: "That the Imperial War Conference having examined the memorandum on the position of Indians in the self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions, and recommends the memorandum for favourable consideration of the Governments concerned." The reciprocity resolution of 1918 forms the basis on which the relations between India and the self-governing Dominions of the British Commonwealth, and even Burma, in respect of Indian emigration are governed even today. The Imperial Conferences of the immediate pre- and immediate post-war periods have thus opened up avenues for the expression of Indian views within the framework of the Imperial system of the United Kingdom, though, even today, we in this country, consider that the position is full of anomalies and does not satisfy advanced nationalist opinion, which insists on nothing short of complete freedom and complete independent political representation of this country at Imperial or international Conferences.

Other questions of importance discussed at the Imperial War Conference of 1917 and 1918 included discussions on the appointment of Trade Commissioners' services *inter se* of the various units of the Commonwealth and India, the Imperial War Graves Commission, the control of imports from enemy countries after the conclusion of peace, and others concerning which the Indian viewpoint was more or less adequately pressed upon the attention of the authorities.

Before an examination is made of developments contemporaneous to those connected with India's status and position in the Imperial War Cabinets and War Conferences, with reference to

the signing of the Treaty of Versailles and India's membership on the League of Nations, a rapid review of India's place in Imperial organization of the inter-war period had better be made here. Declaring in parliament on May 23, 1917, His Majesty's Government admitted "the Government of India to full partnership in the Councils of the Empire." India's representation on a basis of equality with other Dominions of the British Commonwealth at the Imperial War Conferences and Cabinets, as well as the resolutions of the Imperial War Cabinets on the readjustment of the constitutional and political relations of the United Kingdom and the Dominions and India, have already been noticed by us. The parliamentary declaration of August 20, 1917, heralding the Montagu-Chelmsford Reforms of the post-war period, had postulated the Indian objective of His Majesty's Government to be "the gradual development of representative institutions with a view to progressive realization of responsible government" by this country. The Report of the Joint Parliamentary Committee of 1919 affirmed that "India's position in the Imperial Conference opened the door to negotiations between India and the rest of the Empire."*

While very interesting developments in the sphere of India's participation in international affairs were taking place, there was also a progressive improvement, at any rate as far as constitutional formalism was concerned, taking place in the Imperial or Commonwealth framework of the United Kingdom in the inter-war period. The Rt. Hon'ble Srinivasa Sastri went out in 1921 as more or less the ambassador of India to foster the goodwill and amicable relations, which have been so badly disfigured by the problems of Indians resident inside the various units of the British Commonwealth, particularly between this country and the race dogma-ridden Dominions like Canada and Australia. Indian representatives were allowed to be present at the Imperial Conference of 1921, and Indian representation to the subsequent Imperial Conferences of 1923 and 1926, and their formal position was maintained with the *eclat* which the India Office has so valiantly striven to uphold, parading India at Imperial and international gatherings as a token of the ultimate evolution of a status and function for this country which will enable her to raise her head and maintain her own before the countries of the world.

Sir Mohammad Zafrullah Khan, an Indian delegate to the Imperial Conference of 1937, might have arrogated to himself the right to protest against British policy in Palestine, but the position of Indian delegations in these Conferences had never been effective. Addressing the Imperial Conference of 1921, the Rt. Hon'ble

* See my Memorandum entitled "The External Relations of India", which was prepared at the request of the late A. Rangaswami Iyengar, the then Political Secretary to Mahatma Gandhi, and utilized at the time of the Second Round Table Conference. *Triveni*, Madras, Vol. IV. No. 5, September-October, 1931.

Srinivasa Sastri declared: "I cannot fail to remember that the position we occupy here is not comparable by any means to the position occupied by our colleagues from the Dominions. They are called here by virtue of their being Prime Ministers. We come by nomination from our Government. We realize that that marks a great difference in our status, although not in the privileges to which we have been admitted at this meeting. We hope that next year, or the year after, our successors who will take our place here, will come by a better right. The person who represents in the place of His Highness [the Maharao of Kutch] more than one-third of British territory in India, will probably be chosen by the Chamber of Princes by election, and the man who takes my place may likewise be elected by the Central Legislature of the land. We have not yet acquired full dominion status, but we realize we are planted firmly on the road to the acquisition of that status." Mr. Sastri's exposition of the position of Indian delegations to Imperial and international conferences remained valid right through the past two decades. If any, there has been a retrogression of India's position in these conferences, for in the later years of the inter-war period, on more occasions than ever before, members of the Executive Council of the Governor-General went out as Indian spokesmen to Imperial and international Conferences. Perhaps, this is due to the dearth of friendly-minded politicians of the type of Mr. Sastri, who could oblige the Government of India to go out as the spokesman of this country! The Chamber of Princes continues to function, but it is neither representative of the Princely Order *as a whole,* nor are spokesmen elected to go out and pledge the faith of the Princely Order to any Imperia or international agreement or covenant. The Chamber of Princes is an ornament to the institution of the Imperial Crown, and the presence of a Prince in these Imperial and international gatherings is a gesture which is neither binding on himself, his subjects, nor his Order.

Further changes were wrought in the Imperial system between 1926 and 1935, the year in which the Constitution Act of this country was passed. Thus, the Balfour Report on inter-Imperial relations in 1926, while laying special emphasis on the position of India, defined the Dominions as "autonomous communities within the British Empire equal in status, in no way subordinate one to another in any respect of domestic or external affairs, though united by a common allegiance to the Crown, and freely associated as members of the British Commonwealth of Nations." The Montagu-Chelmsford Reforms were by this time in full swing in this country, and public opinion was extremely vocal about the lack of substance in these constitutional or semi-political arrangements as between India and the United Kingdom, with the result that the greatest possible pressure was brought to bear upon His Majesty's Government to see that the time to be taken by this country to attain full nationhood is to be shortened as much as possible.

Thus, Lord Irwin, as a prelude to the convocation of the first Round Table Conference, went out of his way to reiterate in 1929 that in the view of His Majesty's Government "it is implied in the declaration of 1917 that the natural issue of India's constitutional progress as there contemplated is the attainment of Dominion Status." I was myself present in the House of Commons on December 18, 1929, when the Labour Secretary of State for India, Capt. Wedgewood Benn, declared, obviously to the delectation of his hearers inside and outside the Parliament, that British stewardship of India had achieved a marvellous thing, and that "there is a Dominion Status in action. . . . there is a Dominion attribute which has now become part and parcel of the rights of India." Section 124 of the Report of the Conference on the Operation of Dominion Legislation and Merchant Shipping Legislation, published in 1930, speaking with special reference to merchant shipping legislation, emphasized that "as the position of India in these matters has always been to all intents and purposes identical with that of the Dominions, it is not anticipated that there would be any difficulty in applying our recommendations to India." In 1931, the Statute of Westminster was passed, conceding the right of Dominions to secede from the Empire and Commonwealth, but curiously enough after all these declarations of India's Dominion Status in action, to quote again the words of Capt. Wedgewood Benn, the Statute was not made applicable to this country.

Examination must be made here of the provisions of the Statute of Westminster, though, as has been already mentioned, the Statute was not made applicable to this country. Under the Statute, which contained specific provisions concerning Canada, Australia, New Zealand and Newfoundland, other Dominions of the British Commonwealth have assumed complete internal and even external sovereignty. Governors-General were no longer to be appointed by His Majesty's Government as adjuncts to their system of political spoils, and Sir Isaac Isaacs and Sir Patrick Duncan were appointed respectively the Governors-General of the Commonwealth of Australia and the Union of South Africa, specifically on motions made by the ministers of those two countries, and the case of the Irish Free State, which will be examined in some detail at a later stage, added further importance to this aspect of the sovereignty of the Dominions. The Royal prerogative relating to the reservation of Dominion Bills and disallowance of Dominion Acts, exercised through the Governors-General concerned, was restricted, and the right of Dominion Parliaments to pass legislation having extra-territorial operation was also conceded. The Statute specifically provided that the Colonial Laws Validity Act of 1885, shall not apply to any law made by the Parliament of a Dominion. A further provision of the Statute of Westminster affirmed that "no law and no provision of any law made after the commencement of this Act by the Parliament of a Dominion shall be void or inoperative, on the

ground that it is repugnant to the laws of England, or to the provisions of any existing or future Act of Parliament of the United Kingdom, or to any order, rule or regulation made under any such Act, order, rule or regulation in so far as the same is part of the law of the Dominion." The abolition of the doctrine of repugnancy of Dominion legislation *vis-a-vis* of Imperial legislation is another fundamental concession made by the Statute of Westminster, which also vested the Dominions with control of Merchant Shipping legislation, Admiralty jurisdiction, and several other prerogative and procedural points of national sovereignty.

As has been stated, the Constitution Act of India of 1935 was still to be, and consequently India was to be treated as nothing more than a dependency, actually possessing neither status nor function appropriate to a Dominion of the British Commonwealth. Small wonder, that the British Prime Minister told the assembled Empire Premiers and the representatives of India that the Statute was not applicable to India, and could only be made applicable by fresh legislation specifically making India participate in the *regime* of the Statute!

I need not detain myself here with a detailed historical examination of the political and constitutional developments *inter se* of the United Kingdom and India, beginning with the Simon Commission in 1928 and going through the tortuous processes of the Round Table Conferences, the Joint Parliamentary Committee over which Lord Linlithgow presided with such devastating results, the piloting of the Government of India Bill in Parliament by Sir Samuel Hoare, and the ultimate placing on the British Statute Book of the Constitution Act of 1935. Some of these developments are discussed in a later chapter dealing with the fight for freedom in this country, and only one broad observation must be made here with reference to the regulation of Indo-British relationships to fit them into the scheme of argument dealing with Imperial or Commonwealth relationships. Till 1930, the United Kingdom ruled and governed India on the basis of her own volition and without any reference to the feelings or sentiments of this country. The Gandhian epoch of political activity in India has brought about a thorough transformation of this British approach to the fortunes of 400,000,000 Indians, and made it possible for London to feel the terrific impact of the revolt of the masses of this country against foreign rule at the point of the bayonet, e.g., the British legislation with respect to India in the XIX century. Again, the imposition upon this country of types of Government represented by the Montagu-Chelmsford Reforms, on the basis of "the disinterested benevolence" of Great Britain, and supported only by perfunctory enquiries of Viceroys and Secretaries of State for India, with the assistance of such of the Indian intellectuals who were willing to sell their country for a mess of pottage, has also ceased to exist. Even the might of His Majesty's Government, based as it is on nearly two centuries of British domination over

this country, could not resist the need for "parleying" with representatives of this country on the lines of the Anglo-Irish negotiations of 1921. Whatever the future historian might write about the London Round Table Conferences, one thing is clear, viz., that Mahatma Gandhi went to London in 1931 not with a begging bowl but with the sanctions of the popular support of India behind him, which gave him the strength and the mandate to "negotiate a settlement" with the United Kingdom. Lord Clive, Cecil Rhodes, the Earl of Beaconsfield and Joseph Chamberlain must surely have turned in their graves at this audacity of a "naked fakir," in the words of Mr. Winston Churchill, to strut across the door steps of the Buckingham Palace for parleying with the King Emperor on the freedom of 400,000,000 Indian people.

INDIA AND COMMONWEALTH

No one can gainsay the significance of the last Great War and the present international hostilities which have undoubtedly revitalized the relationships of the United Kingdom and the various units of the British Commonwealth of Nations.* The greatest wars ever known to modern history have achieved the re-discovery of all that is noblest in the presence of the British Crown as the symbol of Imperial unity and cohesiveness of the Empire, subject only to the declaration and maintenance of neutrality by the Irish Free State in the present War and similar but infructuous attempts made by the Dutch Boers in the Union of South Africa until that Dominion was rescued in the cause of united Imperial effort by Field-Marshal Smuts. The Anzac Day, which is observed even today, is perhaps the greatest tribute to the sacrifice and heroism displayed by His Majesty's armed forces from Australasia in the inferno of Gallipoli during the last Great War. Iraq exists today as an independent kingdom only because of the truly magnificent part played by Indian troops at Kut-el-Amara and other battlefields in the rich valleys of the Euphrates and the Tigris, and of the manner in which India was responsible for making it possible for civilization to thrive again in regions which were once famous for the Chaldean, the Assyrian and the Babylonian phases of human progress. Still, we in this country do not celebrate, since not given to celebrate, an Amara Day (which perhaps would have become a *Hamara* Day in the fullness of time). The African, the Canadian, the Indian and the Briton fought side by side in a spirit of comradeship on the battlefields on the Western Front in the last war, at the Marne, at Ypres and at the Menin Gate. During the past five years of the present international war, Indian troops have been fighting side by side with units from almost every part of the British Commonwealth

See my paper entitled "Future of the British Commonwealth" in *Contemporary India*, Lahore. Vol. I. No. 4, Fourth Quarter 1935, pp. 535-553. Also see my contribution on "India in the British Commonweath" in *Triveni*, Madras, March-April, 1933, Vol V. No. 5 pp. 433-50

and from the U.S.A., and have covered themselves with glory on the battlefields of the Western Desert, in the drive to liberate Italy, in holding Iraq and Iran against any possible German assault, and in the stupendous struggle which is just beginning against Japan in the East. These demonstrations of Imperial or Commonwealth unity by the constituent parts in the face of grave military crisis, involving the survival of the British system as a whole, are not surprising. Behind, however, this *facade* of common action before common danger lie embedded centrifugal forces which must be examined here.

An examination of Anglo-Irish relations is pertinent at this stage. One thousand years of history boils itself down into the remarkable series of British Laws which had held Ireland from the time of the Poyning *regime* to that of the Black and Tan record of Sir John Anderson during the period covered by the last Great War. The manner in which Mr. De Valera came to be the focal point of the Irish intransigence need not be discussed here in detail. He floated across the Irish firmament as the most resplendent of the galaxy of national patriots, which included such heroic people as Parnell, Collins, McSweeny and Redmond. The fight for Irish Independence will go down in history as a specific illustration of the glorious fight for freedom of a representative unit of the British Commonwealth. The Anglo-Irish Treaty of 1921 and the financial settlement between the two countries in the following year, illustrate the evolution of the idea of parity of strength between the United Kingdom and the component parts of the Commonwealth. These two treaties further indicate the execution of free covenants between free peoples, as represented by the delegates of the Irish Nationalist Party on the one hand and those of the Imperial Parliament on the other. Lloyd George, Churchill and Birkenhead figured prominently in this belated termination of an equally belated episode in British Imperial history, which had led to such tragic and deplorable incidents in Ireland, but which brought to fruition the strivings of a nation in search of freedom. If the American War for Independence had estranged a Continent from the Empire, the Irish Revolt of the XX century has still kept Eire within the loose framework of the British Commonwealth, but with the moral that even the mightiest master cannot hold a nation against its own will, and for long. When regional particularism becomes conspicuous, there must surely be something seriously wrong with the existing order of things. When Dominion nationalism becomes insistent, all the King's horses and all the King's men cannot keep the far-flung regions of an Empire within even a framework of free peoples freely associated with each other in the cause of a co-operative commonwealth.

The representative of the Irish Free State formally deposited the Anglo-Irish Treaty of 1921 in the registry of the League of Nations' Secretariat in 1924 under Article 18 of the League Covenant, as if to symbolize the conclusion of a treaty between two

independent States. His Majesty's Government very naturally sought to dissent from this position by stating that "since the Covenant of the League of Nations came into force, His Majesty's Government has consistently taken the view that neither it nor any conventions concluded under the auspices of the League are intended to govern relations *inter se* of the various parts of the British Commonwealth." But the Irish Free State resolutely sought to maintain the need and necessity of the registrability of the Anglo-Irish Treaty of 1921 with the League Secretariat, obviously on the sole ground that it was a treaty between two free peoples demanding the recognition of the rest of the world. I need not detain myself here with a detailed examination of the manner in which Eire deliberately and successfully reduced to naught the remaining vestiges of Imperial connection and the prerogatives of the Crown as were, if at all, left intact by the Statute of Westminster, 1931, but note must be taken here of the recrudescence of republican sentiment in the Union of South Africa under the leadership of General Hertzog, who sought to give that country a national flag in substitution for the Union Jack, which naturally is one of the connecting links between the United Kingdom on the one hand and the Dominions and Colonies of the Commonwealth and the Empire on the other. Canada would certainly have followed suit in this regard, but for the outbreak of the present international hostilities which necessarily constitute a gap in the evolution of the Commonwealth idea and ideal.

We in this country have certainly a moral to learn from these developments of the past thirty years. If India wants to obtain independence in terms of the declared policy of the Indian National Congress and even of the All-India Muslim League and the lesser political persuasions, within the meaning of the Statute of Westminster, it is definitely because of the fact that Eire, South Africa and, even for that matter, Canada and Australia, have succeeded in reaffirming, on more than one occasion, their national sovereignty, first in regard to domestic legislation and secondly even in regard to the expression of national sovereignty resulting from the destruction of the supremacy of the British Parliament. The Indian national demand for a Constituent Assembly, based on adult suffrage and comparable to the status and position of the Irish National Convention which preceded the signing of the Anglo-Irish Treaty of 1921, is one which is capable of laying down the bases of an Indo-British Treaty which will give this country the substance of independence even as circumscribed by the Statute of Westminster. An examination of this fight for Indian freedom will be attempted in a later chapter, but here I must examine yet another aspect of Commonwealth relations which pressed itself upon the attention of the constituent units during the past twenty-five years.

The British Empire was built up on the principle that trade follows the flag. The economic motive was the most important

factor in the creation and sustenance of the British Empire during the past four centuries. It is the economic motive alone which is preserving the Commonwealth, even in the altered conditions imposed by the last Great War and the present international hostilities. Numerous attempts were made from time to time to turn the Colonies and the Dominions into ready markets for the distribution of British manufactures, while the United Kingdom was made dependent upon an adequate and continued source of colonial raw material to supply grist to the mill of her industry and commerce. Dependencies like India, not to speak of the Colonies, have always been the fatted calves of the Empire. It is the economic milch cow which the United Kingdom has been running after during all these long decades of British Imperialism, but not for long, as events of the past half a century demonstrated it to be.*

It was Joseph Chamberlain who was responsible for an insistent definition of Imperial economic policy and for the introduction of Imperial preference, which was expected to preserve the Empire as an economic *bloc*, not easy of division by unfriendly Powers in their search for fresh fields and pastures new in the sphere of economic exploitation. Today the idea of Imperial preference is as dead as Queen Anne, though frantic efforts have been and still continue to be made to artificially revive that idea. Not all the boomerangs- and there are economic boomerangs attached to the Beaverbrook and the Rothermere press in Great Britain, could sustain for any length of time this oft-repeated idea of Imperial preference, following in the wake of the failure of the Ottawa scheme of preferences imposed upon the units of the Empire and the Commonwealth in 1932. Britain is always too slow to learn, and this innate priggishness of the British race is responsible for a remarkable series of economic policies easily made and easier revoked as futile.

The series of concerted attacks upon the world economy, which the United Kingdom undertook during the inter-war period for restraining her fast decline in the international markets, must be cursorily examined here. The Empire Marketing Board, which functioned in London after the conclusion of the last Great War, was only a relic of the old Imperial Economic Committee of the Great War period. An Imperial Economic General Staff was attempted to be organized for the co-ordination and management of the various sectional economic policies which arose during the process of time in the various units of the Commonwealth, but in view of the fact that the economic problems of the units of the Commonwealth varied with the particular requirements of the units themselves, such a policy was found to be utterly futile.

A full examination of the economic *nexus* between India and the United Kingdom is attempted in the chapter entitled "The Foreign Trade of India."

Nor was the demand for a steady inflow of Dominion produce constant in the United Kingdom. As between Australian and Argentine meat, the United Kingdom had also to choose the latter, if only to sustain and foster her trade with that South American Republic and to find the means for the financing of the export trade to that country. As between Brazilian and Indian Coffee, the United Kingdom had to favour the former, since she was assured the sheltered market in her dependency with or without reciprocal privileges, preferably without, and even directly in contravention of the Ottawa scheme of preferences. As between Canadian and American wheat, consideration was to be bestowed upon the latter also, if only to cultivate the goodwill and to facilitate the settlement of international trade balances with U.S.A. This was the dilemma of the United Kingdom during the chequered economic conditions of the inter-war period.

The effort to create a British economic *zollverein* at Ottawa in 1932 almost resulted in the creation of a similar economic ring-fence round metropolitan and colonial France. The failure of the late Aristide Briand to bring about an economic union of Europe during the heydays of the League of Nations, preceding the failure of the Disarmament Conference, was also traceable to the insistent economic Imperialism which became evident in his own country and in the United Kingdom at this period. The Great Depression of 1929, following in the wake of the Wall Street crash, has been responsible for the organization of national economic states all over the world, the intensified race for the capture of raw material sources, the raising of the cry of 'haves' and 'have nots' and, generally, the creation of an international system based upon national, economic, political and military needs fully serviced in a manner which could only, as has been the case ultimately in 1939, lead to war. Noted students of international affairs, not excluding some of the most prominent thinkers in the U.S.A., have argued that the organization and preservation of the British Commonwealth and Empire as a closely-knit economic, political and military entity is the direct antithesis of a world system of co-operative action based upon the economy of plenty for all. We in this country have naturally felt the impact of the British design to preserve and sustain the Empire as a domain for ensuring the economic and military potential of the United Kingdom. If today we are struggling hard to get out of the grip of this obnoxious system, it is only because of our desire to obtain a *regime* of freedom which guarantees to us political autonomy and economic self-sufficiency. In this attempt of ours, we are in the good company of Eire, South Africa and, even, Canada.

• INDIA AT PEACE CONFERENCE OF PARIS

In the light of what has been said about the manner in which India's place in the councils of the Empire was gradually, though still imperfectly, stabilized, and also in view of the tremendous

contribution in men and material made by this country to ensure the success of the United Kingdom in the last Great War, it was obvious that India should have a place accorded to her in the Peace Conference of Paris.*

Writing on the Imperial War Cabinet, *The Times* said (January 2, 1919): "The great difficulty in the case of the Imperial War Cabinet was that it was a war creation, and that there was no peace precedent which offers any help whatsoever. It is unthinkable, of course, that the Dominions should simply sink back in matters of Empire Government to their pre-war position, and should deliberately stand aloof from all decisions on questions of imperial policy leaving the whole burden of responsibility with the British Government. Even if the Dominion Governments were content to do this, the part that the Dominion peoples have taken in the war would put it out of the question. On the other hand, it would be sheer folly to pretend that the Imperial War Cabinet—even with resident British Dominion Ministers in London as members of it—has proved to be a complete or even a very satisfactory settlement of the difficulties. Neither, we think, has it been properly understood in any Dominion, nor yet in India."

A *communiqué* issued by the Peace Conference on January 15, 1919, stated as follows: "The U.S.A., the British Empire, France, Italy and Japan will be represented by five delegates apiece. The British Dominions and India shall be represented as follows: two delegates respectively for Australia, Canada, South Africa and India (including Native States), and one delegate for New Zealand. The meeting of the Allied and Associated Powers adopted the following general principles: '(1) Each delegation being a unit, the number of delegates forming it have no influence upon its *status* at the Conference; (2) In the selection of its delegation, each nation may avail itself of the panel system. This will enable each State at its discretion to entrust its interests to such person as it may designate. The adoption of the panel system will, in particular, enable the British Empire to admit among its five delegates representatives of the Dominions (including Newfoundland which has no separate representation) and India.'" Commenting on this arrangement, the Political Correspondent of the *Times*, writing a few days later, observed as follows: "Lest there should be any misunderstanding as to the Dominions' representation at the Peace Conference, it may be pointed out that the British Government has five seats at its disposal. Four of the seats will be occupied by British Ministers, and the fifth will be placed at the disposal of a representative of the Dominions, so that in all discussions in which the delegates of the big Powers take part, the imperial note will be given. In

* The following account is based upon my researches in the files of the London *Times* for January and February, 1919.

addition to this, the Dominions will have separate representation by two delegates each, who will attend when their special interests are at stake and at sittings of the full Conference. Newfoundland, not having been given this status of the big Dominions, found her seat at the opening Conference by Sir William Lloyd's taking the fifth place in the British delegation."

What was termed the Indian "deputation" to the Peace Conference, consisting of the late Edwin Montagu, the late Maharajah of Bikaner and the late Lord Sinha, with which Sir Alfred Hamilton Grant was associated as specialist and accompanied by Sir Arthur Hirtzel, Under-Secretary of State for India, then arrived in Paris to participate in the work of the Peace Conference. Sir Robert Borden, the Canadian Premier, who took a very conspicuous part in the evolution of the technique of Imperial collaboration during the war and immediate post-war periods, in a press interview at that time* discussing the import of the Imperial War Cabinet resolutions with reference to the Peace Conference and the proposed League of Nations, observed: "In addition to the distinctive representation of the Dominions at the Peace Conference, their delegates have also a place in the panel system to which the five delegates representing the British Commonwealth as a whole are to be selected from time to time. By one or both these methods, as may be determined after due consideration, the Dominions may receive the recognition and assert their opinion which their national status demands in the proposed Society of Nations." Incidentally, whether the Empire and foreign Statesman realized it then or not, India was tagged on to this group of Dominions, more or less on terms of formal equality, for purposes of participation in the Peace Conference and in the proposed League of Nations. The British press was most eloquent about this aspect of the integration of Imperial and international politics and, despite the technical intricacies of the position occupied by the Dominions and India at the Peace Conference, it was recognized even by the New York *Tribune* that the association of the Dominions and India with the Peace Conference was "one of the most striking political facts of modern times."

Even before India was able to discard the clothes of a toddler in Imperial and international affairs, the repercussions of her participation in the Peace Conferences became almost instantaneously terrific. Within a fortnight of the arrival of the "Indian deputation" or delegates at Paris, the Political Correspondent of the London *Times* wrote (January 31, 1919) as follows: "It seems probable that if, as is almost certain to be the case, the mandatory system is applied to German East Africa, claims to that mandate will be put forward on behalf of the Indian Government, which has always had a special interest in East African development—interests so great as to have made

* The *Times*, January 23, 1919.

of British East Africa in some respects a colony for Indian expansion. Here, of course, there will probably be claims of other countries to be considered." The assumption by India of the mandate over German East Africa, now Tanganyika, would have been perhaps one of the most outstanding examples of the achievement by a dependency of an international status equal to that of all other fully-free countries of the world, but this unique opportunity was lost owing, naturally, to the tremendous opposition of Empire and foreign statesmen foregathered at the Paris Conference. Discussing Anglo-American differences in regard to the creation of a League of Nations, a special despatch published in the *Times* (February 10, 1919) ran as follows: "Before the great conflict came, England had reached a point of saturation in the matter of Imperial expansion. The great problem had become to preserve, not to increase, and the burden of the Empire was more and more heavily felt as domestic conditions foreshadowed the complete transformation at Home. Now the chief concern of Great Britain, as an Empire, is India. India begins at Gibraltar, and at least extends to Hong Kong." The obvious suggestion was that to preserve India as the pivot of the Empire, British policy in Mesopotamia (present-day Iraq), Palestine, Syria and Egypt was to be consolidated. Commenting on this controversy, the *Times* wrote: (February 15, 1919): 'We have frequently discussed in this place the mandatory or trustee principle of Government, and it is again a source of legitimate pride to Englishmen that Article 19 of the Covenant, which expounds that principle, might almost be taken as an exposition of the principles animating the relations of Great Britain with India and the Dominions. That Dominions are in this document recognized as nations before the world is also a fact of profound significance in the history of these relations." It is, thus, clear that even though India failed to obtain the mandate over Tanganyika, she played a fullsome part in the deliberations of the Paris Peace Conference, and even mere considerations of formalism, which so far characterized her association with the Imperial War Cabinets and War Conferences, were by that time gradually falling off. Without even the basic principles of self-government prevailing in our midst at that time, India was able to press herself upon the attention of the whole world, thanks to the magnificent part played by her soldiers on the various fronts during the last Great War. Her admission to the Peace Conference and later on to the League of Nations, however much misunderstood and misinterpreted by foreign statesmen and deprecated to a certain extent by statesmen from within the Empire or Commonwealth group itself, cannot be termed as mere external trappings of no value to a country which is not free and a people who are prevented from functioning as a sovereign nation. If I am not mistaken, India's participation in the Peace Conference and her membership of the League of Nations have definitely contributed to the evolution of our political consciousness, and to that extent alone such participation and membership

must be recognized to be of a distinct advantage to the formulation of our national emotions and expressions in an international world which cannot exactly be stated to be enthusiastic about freedom to suppressed peoples. If today we are still to win our freedom, it is only a question of the final delimitation of Indo-British relationships. But India's place in the world has been assured by her signature to the Treaty of Versailles, and whatever might be the future in store for this country, e.g., whether India is represented at the next Peace Conference through her own national delegates or not, it is clear that India's place in world politics is secure and can never be annihilated. We in this country have still to fight the United Kingdom, and fight we will. Whether we win or lose, today or tomorrow, the place of India in the world system is bound to be of substantial importance to the stability of the British Commonwealth and of a comity of world nations in which peace is to reign supreme as the great leveller.

INDIA IN LEAGUE OF NATIONS

David Hunter Miller in his monumental book, *The Drafting of the Covenant*, stated with the authority derived from his close association with Woodrow Wilson, that very early at the meetings of the League of Nations Committee in 1919 "it had been agreed that India should be a member of the League. Mr. Wilson had acquiesced, and no one else seemed to care." French opposition to the inclusion of the Dominions within the framework of the League of Nations was resolute but abandoned after a grim struggle in the green rooms of the Peace Conference, with the result that as far as India was concerned, as one commentator put it, there could not have been any difference to the Geneva organization by the addition of one more country, viz., India, to the group of hangers-on to the British Empire, viz., the Dominions which obtained admission to the League of Nations.

Article I of the Covenant of the League of Nations provides that "any fully self-governing State, Dominion or Colony not named in the Annex may become a Member of the League." But India was not a self-governing Colony, or Dominion or State at the time of the Treaty of Versailles, with the result that what has come to be recognized as "an anomaly among anomalies," as David Hunter Miller called it, had become an accomplished fact.* No one, by any stretch of imagination, sought to compare India with Canada at this period as regards the essentials of self-government, and to quote Miller again "India contains 300,000,000 people, and to say that those people should have no representa-

See my paper on the "International Status of India" in the *Journal of the Royal Institute of International Affairs*, July 1930. See also my address to the Grotius Society, London, on March 20, 1931, published in the *Transactions of the Grotius Society*, 1931, and noticed by the London *Times*, March 27, 1931 and the *Law Journal*, London, April 4, 1931, Vol. LXXI (N.S.) No. 3404.

tion of their own in the League of Nations would be carrying the logic of the Government representation very far." Obviously, the inclusion of India in the Annex of original signatories of the Covenant of the League of Nations gave a series of heartaches to some of the Empire statesmen and the legal draftsmen of the Peace Conference, with the result that ingenuity was taken recourse to, and the problem of India's membership to the League of Nations was solved in a simple, yet astonishing manner. I have examined the original draft of Article X of the Covenant of the League of Nations dated February 14, 1919, which contained the phrase "States Members of the League," and I find that in the final draft of April 28, 1919, this phrase had been watered down into "Members of the League." We in this country have very little faith in constitutional formalism or the legal niceties of treaty-drafting, but I claim that India's inclusion as an original Member of the League of Nations had been and still continues to be, despite the ignominy which came to be heaped upon this institution since 1930 on account if its failure to check Japanese aggression in Manchuria and Italian aggression in Abyssinia, a fact of tremendous importance to the future evolution of our national and international status and function.

India's admission as an original member to the League of Nations had automatically meant her admission to the International Labour Organization, the permanent Court of International Justice, the International Committee of Intellectual Cooperation at Paris, the International Institute of Agriculture at Rome and several other League, semi-League and non-League organizations, which cropped up with such astounding rapidity and ingenuity during the inter-war period. The manner in which India sought to stabilize her position in the International Labour Organization, ultimately leading to her recognition as one of the eight chief states of industrial importance in the world, and to membership in her own right of the Governing Body of the International Labour Office, is fully dealt with in the next Chapter. Here it is worth noting that, despite her hopelessly anomalous position as a dependency only enjoying the attributes of a sovereign State for purposes of the organizational activities of the League of Nations, India secured representation at almost every international conference, such as the Washington Conference on Naval Armaments, the Geneva Economic Conference, the London Reparations Conference, the London Naval Conference, the Hague Reparations Conference, the World Disarmament Conference, and others.

It is clear that the *rationale* behind India's participation in these League and non-League Conferences since 1920 is of considerable importance to us and must be examined here in some detail. At the time of the Peace Conference, the Indian "deputationists" were included in the Empire delegation, and were given opportunities for attending the plenary sessions of the Peace Conference in rotation with the representatives of self-

governing Dominions. After India obtained original membership of the League of Nations, Indian delegations went forth in their own right to almost every conference of an international character, as has been indicated above. The Secretary of State for India, in consultation with the Government of India, normally selected these delegations and instructed them during the early years of India's association with the League and its complementary international system. Curiously enough, the factual position remains to be even today that communications from the League of Nations Secretariat intended for "India," which is an original member of the League, are forwarded to the India Office in London and not to the Government of India direct. In the case of the International Labour Organization, the communications of the International Labour Office are sent direct to New Delhi with copies to the India Office, though the replies from New Delhi are forwarded to the International Labour Office through the Secretary of State in London. This procedure was apparently adopted and kept almost sacrosanct even today, on account of the fact that, at any rate during the early stages of India's association with the League of Nations, His Majesty's Government felt the need not only for coaching this country in the art of participation in international affairs, but also for the co-ordination and maintenance of a common policy as between the United Kingdom and the various units of the Commonwealth. I have closely watched in my time at Geneva the activities of the Indian delegations of the League of Nations, and one predominating impression left with me is that, apart from functioning as an individual unit in the League, the Indian delegation proper also functioned as a unit in the informal conferences of Empire delegations held naturally under the leadership of the leader of the United Kingdom delegation to the League of Nations for the time being, to compare notes and to bring about as much as possible a common front of the United Kingdom, the Dominion, and Indian delegations, especially when questions of first-rate political importance were discussed by the League Assembly.

Till 1929 Indian delegations to the League of Nations were led by non-Indians, a fact which created considerable irritation in this country. Still, the delegations of the League Assembly in 1927 wrote as follows: "The Indian delegation is not constitutionally in the same position as those of the Dominions, but in our view, the actual liberty of the Indian delegation to follow an independent policy corresponds to the liberty which the Indian delegation would, in fact, exercise if the constitutional status of India within the Empire were different." Elsewhere in their Report, this delegation said as follows: "It would, in our view, be a matter of great regret if the opportunities offered to India by the League towards the development of her status among the nations of the world were imperfectly realized through ignorance or misunderstanding of the facts. For this reason, and because the representation needs to be based upon an informed and enlightened public opinion, we feel that great importance should

be attached to publicity." Besides closely watching the activities of the Indian delegates to the League Assembly and the International Labour Conference for a period of years, I have, on the invitation of the Secretary-General, worked in close *liaison* with the Indian delegation to the Assembly of 1931 as a *Collaborator* of the League of Nations, and though I found that Indian delegates were generally supposed to be marionettes functioning on the wire pulling of the Secretary of State, there were individual instances when Indian delegates did make an attempt to present to the outside world through the League forum some of the pressing problems of this country, though I cannot say that Indo-British political questions were at all discussed with the zest with which they could have been dealt with by a purely national Indian delegation to the League Assembly in any particular year, as the Irish Free State delegation to the League sought to do.

In 1929 the Indian delegation was first led by Sir Muhammed Habibullah, an Indian member of the Executive Council of the Governor-General, and in every subsequent year Indian delegations to the League of Nations Assembly were led by Indians, and the system of nominating an Indian Prince to lead the Indian delegation to the League Assembly once in three years was also adopted. India became a High Contracting Party for purposes of the work of the League of Nations and allied international organizations, and Indian delegates were vested with plenipotentiary powers. The following are the texts of the special full powers given to Mr. R. A. C. Sperling in 1925 and to Sir Muhammad Habibullah in 1929 by King George V, which were copied by me from the originals in the archives of the League of Nations:

"PLEINS POUVOIRS" OF MR. R. A. C. SPERLING, SIGNATORY FOR THE EMPIRE OF INDIA OF THE OPIUM CONVENTION

GEORGE, BY THE GRACE OF GOD, OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, KING, DEFENDER OF THE FAITH, EMPEROR OF INDIA &c., &c., &c. TO ALL AND SINGULAR TO WHOM THESE PRESENTS SHALL COME, GREETING!

Whereas, for the better treating of and arranging certain matters which are now in discussion, or which may come into discussion, between Us and other Powers and States relative to the Traffic in Opium and Dangerous Drugs We have judged it expedient to invest a fit person with Full Power to conduct the said discussion on Our part in respect of Our Empire of India: Know ye, therefore, that We, reposing especial Trust and Confidence in the Wisdom, Loyalty, Diligence, and Circumspection of Our Trusty and Well-beloved Rowland Arthur Charles Sperling, Esquire, Companion of Our Most Honourable Order of the Bath, Companion of Our Most Distinguished Order of Saint Michael and Saint George, Our Envoy Extraordinary and Minister Pleni-

potentiary to the Swiss Confederation, have named, made, constituted and appointed as We do by these Presents name, make, constitute and appoint Our undoubted Commissioner, Procurator, and Plenipotentiary in respect of Our Empire of India; Giving to him all manner of Power and Authority to treat, adjust and conclude with such Ministers, Commissioners or Plenipotentiaries as may be vested with similar Power and Authority on the part of the other Powers and States as aforesaid, any Treaties, Conventions, or Agreements that may tend to the attainment of the above-mentioned end, and to sign for Us, and in Our name, in respect of Our Empire of India, everything so agreed upon and concluded, and to do and transact all such other matters as may appertain thereto, in as ample manner and form, and with equal force and efficacy, as We Ourselves could do, if personally present: Engaging and Promising, upon Our Royal Word, that whatever things shall be so transacted and concluded by Our said Commissioner, Procurator, and Plenipotentiary in respect of Our Empire of India shall, subject if necessary to Our Approval and Ratification, be agreed to, acknowledged and accepted by Us in the fullest manner, and that We will never suffer, either in the whole or in part, any person whatsoever to infringe the same, or act contrary thereto, as far as it lies in Our Power.

In witness whereof We have caused Our Great Seal to be affixed to these Presents, which We have signed with Our Royal Hand.

Given at Our Court of Saint James, the Twenty-fourth day of June in the Year of Our Lord, One Thousand Nine Hundred and Twenty-five and in the Sixteenth Year of Our Reign.

Great Seal of the Realm

(Sd.) GEORGE, R.I.

SPECIAL FULL POWER TO SIR MUHAMMAD HABIBULLAH

GEORGE, BY THE GRACE OF GOD, OF GREAT BRITAIN, IRELAND AND THE BRITISH DOMINIONS BEYOND THE SEAS, KING, DEFENDER OF THE FAITH, EMPEROR OF INDIA, &c., &c., &c., TO ALL AND SINGULAR TO WHOM THESE PRESENTS SHALL COME, GREETING!

Whereas, for the better treating of and arranging certain matters which are now in discussion, or which may come into discussion at Geneva between Us, and other Powers and States which are Members of the League of Nations, We have judged it expedient to invest a fit person with full Power to conduct the said discussion on Our part in respect of Our Empire of India; Know ye, therefore, that We, reposing especial trust and confidence in the Wisdom, Loyalty, Diligence, and Circumspection of Our Trusty and Well-beloved Sahib Bahadur Sir Muhammad Habibullah, Knight Commander of Our Most Exalted Order of

the Star of India, Knight Commander of Our Most Eminent Order of the Indian Empire, Member of the Executive Council of Our Governor-General of India, have named, made, constituted and appointed, as We do by these Presents name, make, constitute and appoint him Our undoubted Commissioner, Procurator, and Plenipotentiary in respect of Our Empire of India; Giving to him all manner of Power and Authority to treat, adjust, and conclude with such Ministers, Commissioners or Plenipotentiaries as may be vested with similar Power and Authority on the part of other Powers and States, any Treaty, Convention, or Agreement that may tend to the attainment of the above-mentioned end, and to sign for Us, and in Our name, in respect of our Empire of India, everything so agreed upon and concluded, and to do and transact all such other matters as may appertain thereto, in as ample manner and form, and with equal force and efficacy, as We Ourselves could do, if personally present; Engaging and Promising, upon Our Royal Word, that whatever things shall be so transacted and concluded by Our said Commissioner, Procurator, and Plenipotentiary in respect of Our Empire of India, shall, subject if necessary to Our Ratification, be agreed to, acknowledged and accepted by Us in the fullest manner, and that We will never suffer, either in the whole or in part, any person whatsoever to infringe the same, or act contrary thereto, so far as it lies in Our Power.

In witness whereof, We have caused Our Great Seal to be affixed to these Presents, which we have signed with Our Royal Hand.

Given at our Court of Saint James, the Thirtieth day of August in the Year of Our Lord, One Thousand Nine Hundred and Twenty-nine and in the Twentieth Year of Our Reign.

Great Seal of the Realm

(Sd.) GEORGE, R.I.

I have discussed in the next chapter the complicated question of ratification of International Conventions, particularly International Labour Conventions, by India, and here it is only necessary to notice in general the formalism which preceded India's adhesion to the instruments of the League of Nations. Discussing the question of ratification of Conventions, the Indian delegation in their Report for 1930 observed that an ordinary League Convention is subject first of all to signature and later to ratification. Signature may be made by the delegation at the Conference or Session of the Assembly, at which a Convention is adopted, or it may take place later. Signature implies merely provisional approval by the delegates of the countries concerned of the proposed action of the League of Nations, and obligations do not arise until and unless the signature is perfected by ratification. A League Committee, which at this period investigated the question of delays between signatures and ratifications, suggested

a procedure for the elimination thereof. Writing on this question, the Indian delegation observed in 1930 as follows: "Delay at the stage of ratification would be lessened and the convenience of the Government of India would be greatly promoted if sufficient time could always be given for full consideration at the stages prior to the holding of any Conference, before which the proposals designed to lead to the conclusion of the Convention are to be placed, or prior to the consideration of a Draft Convention at a session of the Assembly. What is true of a country with Central and Provincial Governments is, of course, still more true of countries in which the full federal system prevails. It is becoming more and more a problem of how to reconcile the decentralisation of national administration with the increasing tendency towards the acceptance of international standards and obligations. It is, in practice, impossible to isolate subjects of international concern so as to concentrate the control of them in the hands of the Central national authorities." The delegation further said that "the practice of India has consistently been not to sign conventions unless there was every reason to suppose at the time of signature that ratification would follow. Not all countries seemed to have followed this practice." In view of the vital importance of ratification by India of International Labour Conventions, as distinct from the League of Nations Conventions, I have discussed this question of Central and Provincial responsibility under Article 405 and 408 of the League of Nations Covenant in the next chapter dealing with India and the International Labour Organization. In the same place, I have discussed the position of Indian States inside the framework of the League of Nations, and the great anomaly which resulted from the inability of the Government of India to enforce any League or allied Conventions upon Indian States, though an Indian Prince is normally associated with the work of Indian delegations to the League Assembly from time to time.

This is the place for the reproduction of a few Instruments of Ratification deposited by representatives of India in the Registry of the League of Nations. The following two Instruments, which I have copied from the original records of the League of Nations, will serve our present purpose:

INSTRUMENT OF RATIFICATION OF PROTOCOL ESTABLISHING THE PERMANENT COURT OF INTERNATIONAL JUSTICE

GEORGE, BY THE GRACE OF GOD, OF THE UNITED KINGDOM, OF GREAT BRITAIN AND IRELAND, AND OF THE BRITISH DOMINIONS BEYOND THE SEAS, KING, DEFENDER OF THE FAITH, EMPEROR OF INDIA, &c., &c., &c., TO ALL AND SINGULAR TO WHOM THESE PRESENTS SHALL COME, GREETING!

Whereas a Protocol between Us and certain other Powers and States declaring acceptance of the adjoined Statute of the Permanent Court of International Justice which was approved

by a unanimous vote of the Assembly of the League of Nations, was concluded and signed at Geneva by Our Representatives on behalf of Our United Kingdom of Great Britain and Ireland, Our Island of Newfoundland and Our Colonies and Protectorates Overseas, on behalf of Our Dominion of New Zealand, on behalf of our Union of South Arica, and on behalf of Our Empire of India, on the sixteenth day of December in the Year of Our Lord 1920; on behalf of Our Dominion of Canada on the thirtieth day of March, 1921; and on behalf of Our Commonwealth of Australia on the sixteenth day of June, 1921; as well as by the Representatives of other Powers and States duly and respectively authorized for that purpose, which Protocol with the adjoined Statute are word for word as follows:—

[Here follows the printed text of the Protocol]

We, having seen and considered the Protocol aforesaid, have on behalf of Our United Kingdom of Great Britain and Ireland, Our Island of Newfoundland and our Colonies and Protectorates Overseas, on behalf of Our Dominion of Canada, on behalf of Our Dominion of New Zealand, on behalf of Our Union of South Africa, and on behalf of Our Empire of India, approved, accepted and confirmed the same in all and every one of its Articles and Clauses, as We do by these Presents approve, accept, confirm and ratify it for Ourselves, Our Heirs and Successors; engaging and promising Upon Our Royal Word that we will sincerely and faithfully perform and observe towards other Powers and States who are or shall be signatories of the Protocol aforesaid, all and singular the things which are contained and expressed in the Protocol, and that we will never suffer the same to be violated by any one, or transgressed in any manner, as far as it lies in Our Power.

For the greater testimony and validity of all which, We have caused Our Seal to be affixed to these Presents, which we have signed with Our Royal Hand.

Given at Our Court of Saint James, the sixteenth day of July in the Year of Our Lord One Thousand Nine Hundred and Twenty One and in the Twelfth Year of Our Reign.

Great Seal of the Realm — (Sd.) GEORGE, R.I.

INSTRUMENT OF RATIFICATION OF THE OPTIONAL CLAUSE OF THE PERMANENT COURT

GEORGE, BY THE GRACE OF GOD, OF GREAT BRITAIN, IRELAND AND THE BRITISH DOMINIONS BEYOND THE SEAS, KING, DEFENDER OF THE FAITH, EMPEROR OF INDIA, &c., &c., &c. TO ALL AND SINGULAR TO WHOM THESE PRESENTS SHALL COME, GREETING!

Whereas, at Geneva on the Nineteenth day of September, One Thousand Nine Hundred and Twenty-nine, there was signed

on Our behalf a Declaration under Article 36 of the Statute of the Permanent Court of International Justice annexed to the Protocol signed at Geneva on the Sixteenth day of December, One Thousand Nine Hundred and Twenty, which Declaration is, word for word, as follows:—

"On behalf of the Government of India and subject to ratification, I accept as compulsory *ipso facto* and without special convention, on condition of reciprocity, the jurisdiction of the Court in conformity with Article 36, paragraph 2, of the Statute of the Court, for a period of ten years and thereafter until such time as notice may be given to terminate the acceptance, over all disputes arising after the ratification of the present declaration with regard to situations or facts subsequent to the said ratification,

other than disputes in regard to which the parties to the disputes have agreed or shall agree to have recourse to some other method of peaceful settlement, and

disputes with the Government of any other Member of the League which is a Member of the British Commonwealth of Nations, all of which disputes shall be settled in such manner as the parties have agreed or shall agree, and

disputes with regard to questions which by international law fall exclusively within the jurisdiction of India,

and subject to the condition that the Government of India reserve the right to require that proceedings in the Court shall be suspended in respect of any dispute which has been submitted to and is under consideration by the Council of the League of Nations, provided that notice to suspend is given after the dispute has been submitted to the Council and is given within ten days of the notification of the invitation of the proceedings in the Court, and provided also that such suspension shall be limited to a period of twelve months or such longer period as may be agreed by the parties to the dispute or determined by a decision of all the members of the Council other than parties to the dispute.

(Sd.) Md. HABIBULLAH.
Geneva, September 19, 1929."

We, having seen and considered the Declaration aforesaid, have approved, accepted, and confirmed the same in all and every one of its particulars, as We do by these Presents approve, accept, confirm, and ratify it in respect of Our Empire of India for Ourselves, Our Heirs and Successors; engaging and promising upon Our Royal Word that We will sincerely and faithfully perform and observe all and singular the things which are contained and expressed in the Declaration aforesaid, and that We will never

suffer the same to be violated by any one, or transgressed in any manner, as far as it lies in our Power.

For the greater testimony and validity of all which, We have caused Our Great Seal to be affixed to these Presents, which We have signed with Our Royal Hand.

Given at Our Court of Saint James, the Thirtieth day of January, in the Year of Our Lord, One Thousand Nine Hundred and Thirty and in the Twentieth Year of Our Reign.

Great Seal of the Realm

(Sd.) GEORGE, R.I.

"INDEPENDENCE" OF INDIAN DELEGATIONS TO LEAGUE

I have already referred to the manner in which Indian delegations to the League of Nations and its ancillary bodies functioned as distinct units representing High Contracting Parties to any international activity. On questions of major policy, Indian delegations, by virtue of the instructions received from the Secretary of State for India who, no doubt, had earlier informed the Government of India about them, found their initiative circumscribed to a very large extent. In any case, there was no question that Indian delegations to the League of Nations, when discussing problems concerning national sovereignty or the minorities questions with reference to Central Europe, could have dared to refer from the tribune of the League Assembly to the problems of Indian independence, of Indo-British relations or of minorities in this country. Such a thing would have become " outrageous " to His Majesty's Government, and in all certainty would have stopped once and for all the mockery of India's performances inside the League of Nations. I have known occasions, however, when some of the Indian delegates even to the League Assembly made oblique references to the poverty of this country, but even declamations made by them at Geneva on questions of this character in the inter-war period—few as they were—could hardly have made any adequate impression upon the conscience of the world.

The late Sir Jehangir Coyajee might have claimed laurels for having initiated and got a resolution through the League Assembly of a milk and water variety concerning the world economic depression, but this is an achievement which could not have taken India very far on the road to the establishment and stabilization of her national sovereign status and function within the framework of the League. In the next chapter I have discussed one or two instances wherein Indian delegations, particularly the representatives of workers and employers, did actually make use of the tribune to indulge in a frontal assault on Britain's domination over this country, but even here it must be remembered that the references were, to say the least, far too

mild to produce the requisite impression upon the statesmen of the world, who were more intoxicated with power politics as between one big nation and another, than with "puerilities" relating to the urge for freedom in a dependency like India. The Instrument of Ratification of the Optional Clause of the Permanent Court of International Justice, which was reproduced in the preceding section of this chapter, specifically stated that disputes between the Government of India and the Government of "any other member of the League which is a member of the British Commonwealth of Nations" shall be outside the jurisdiction of the Hague Court, with the result that a Monroe Doctrine enveloping the life and living of 400,000,000 in this country has been set up by the United Kingdom in such a clever manner as would undoubtedly have been most difficult to penetrate by any friendly Powers disposed to secure Indian freedom, if such friendly Powers ever had foregathered at Geneva. Curiously enough, a puny country like Siam (now Thailand under Japanese occupation) on admission to the membership of the League of Nations, or for that matter Afghanistan and even Iraq (which was admitted to the League after the termination of the British Mandate over it) were able to flaunt their independence in the face of the assembled statesmen of the world at Geneva with a gusto which had made many an Indian, who took part in the work of the League or who had the opportunity of observing the performances of the Indian Delegations to Geneva during the inter-war period, feel bitter about the utter futility of this country expecting to obtain a proper place in the comity of nations.

Until retribution overtook the insensate activities of certain major Powers and procured the destruction of the League system as a result of the Japanese guns booming over the Sungari river in 1930, the rape of Abyssinia by Mussolini and the events following the *anschluss* under Hitler, the most outstanding principle animating the activity of the League of Nations was the recognition of the principle of nationality and the equal sovereignty of nations, big and small. I have observed with my own eyes the manner in which delegates to the League Assembly, even from countries like Latvia or Estonia, carried away full honours in debate and procured conditions which resulted in the protection of their legitimate interests against those of their not particularly friendly bigger neighbours. It is quite true that His Highness the Aga Khan was elected President of the League Assembly in 1937, but I am not quite clear whether this election was not more a compliment paid by international statesmen to this Prince of Sport, than a compliment to India and her place in the League system as a dependency of the United Kingdom! Unless I am grossly mistaken, it is clear that the problems of our nationality and the sovereignty of our country were never adequately discussed at Geneva during the inter-war period. I have known attempts, particularly at the time of the first Round Table Conference, by people like Dr. Moonje and others, to get India under the ambit of the minority treaties of the League of

Nations, and propositions like a small International Committee, mainly drawn from among those statesmen of the world who have figured prominently in the activities of the League of Nations, to be set up for the purpose of solving the Indo-British disputes which were from time to time hoisted as distress signals from India. But suggestions like these, however delectable they might have been and however beneficial in all certainty they would have proved, were never given a chance, for the League system of the inter-war period, despite all protestations to the contrary, was a system of high-power politics, a system based upon poise and counterpoise as between individual countries and groups of countries for dominance at Geneva and, through Geneva, over the whole world. Unless India becomes free, I am not clear in my mind whether the continuance of Indian participation in a revived League of Nations, or other international political organization which might be set up after the conclusion of Peace, on the basis of our performances at Geneva during the inter-war period, would at all be worth the candle for our people. We have learnt a lot and suffered a lot in between the two wars, and we are not likely to be interested in the continuance of a position in which India is made to function as an appendage of the British Imperial system.

Still, it is worth-while noting in this place the few instances when Indian delegates to the League of Nations Assembly and its associated organizations sought to protect the special interests of this country in non-political and technical matters. India took an independent line of action at the Washington Labour Conference of 1919 regarding the Hours Convention, the Genoa Maritime Conference of 1920 resulting in protection to employment of Indian seamen, the International Labour Conference of 1921 concerning a weekly rest day, the Barcelona Transit Convention of 1921, the Convention on the suppression of traffic in women and children of 1921, the Convention on traffic in obscene publications of 1923, and the Convention on Opium and Drugs of 1925. In the first Committee of the first Assembly of the League of Nations, India and Australia voted in a minority against Great Britain and other Dominions on the subject of the method for the selection of four non-permanent members to the League Council, while India voted against the whole of the British Commonwealth in regard to the second part of the resolution in question. It had been one of the outstanding achievements of India and her delegations to the League Assembly that they had consistently striven to introduce economy in the expenditure of the League of Nations. At the Genoa Maritime Conference of 1920, Indian delegates received a mandate to secure special treatment of Indian seamen engaged in British shipping, and the Secretary of State for India definitely instructed them to take a firm stand on this point, notwithstanding the fact that there was a great move on the part of the British delegates to drive Indian *lascars* off British ships. The question of compulsory disinfection of wool found the Indian and British delegations in

directly opposite camps at the International Labour Conferences of 1921 and 1924, and feelings actually ran high among the British delegates, inasmuch as the refusal of India to fall in with their proposals had meant an additional charge on British Industry. It must be confessed that the success attending India's fight on this question, which resulted in the rejection of the British proposals, must have looked extremely important in the eyes of the delegates to these two International Labour Conferences.

These and other minor incidents attending on India's participation in the activities of the League of Nations, which directly or indirectly resulted in her being in a camp opposite to either the United Kingdom or other members of the British Commonwealth, cannot, however, be regarded as a first class attribute of India's national sovereignty. I have always wondered at the devotion to duty displayed by British Proconsuls and Secretaries of State for India before 1922, compared to that of their successors after the introduction of the Montagu-Chelmsford Reforms and the stabilization of the imperfect membership of India in the League of Nations during the past twenty-five years. There was hardly a single incident in recent years which is capable of comparison with the resignation of Lord Curzon over the question of the supremacy of the civil administration, the resignation of Montagu over the Treaty of Sevres which profoundly disturbed Indian Muslim opinion about the shabby treatment meted out by the Allies to Turkey, the abolition of Indenture by Lord Hardinge, etc. One need not be a cynic if he affirms that further doses of constitutional reforms in this country, and the expansion of the scope for Indian representation to international conferences of the League and the non-League systems, have actually produced results incommensurate with the labour and trouble which went towards making this participation possible, but it is not my purpose here to defend or give a testimonial to the system of proconsular government in this country in the period preceding and immediately following the last Great War.

INDIA AND LEAGUE CONVENTIONS

An examination must be made here of the implications of ratification by India of some of the Conventions of the League of Nations during the inter-war period. I have dealt with international Labour Conventions in detail in the next chapter, and here attention is confined to Conventions ratified by this country on the purely League side. The time lag between the formulation of a Convention by the League Assembly at Geneva, and ratification by any of the countries which are Members of the League organization might be considerable. For example, a period of ten years intervened between the formulation of the Optional Clause of the Statute of the Permanent Court of International Justice and its ratification by India, naturally alongside the United Kingdom and certain other units of the Commonwealth. An attempt is made below to take up, not necessarily

in a chronological order, the Conventions agreed to by the League Assembly at Geneva from 1920 to the end of 1939, and to examine them with reference to ratification by this country.*

There were about half a dozen Conventions of the League of Nations, which have been ratified by India, dealing with the settlement of international disputes, and I had better bring them together here for a factual analysis, though an examination of their implications might be reserved for the last chapter of this book on the "Fight for Freedom." The Protocol of Signature of the Statute of the Permanent Court of International Justice agreed to at Geneva in 1920, was ratified by this country in the following year. The Optional Clause recognizing the Permanent Court's jurisdiction, as described in Article 36 of the Statute, was ratified by India in 1930, though agreed to at Geneva in principle ten years earlier. The Protocol on Arbitration Clauses arrived at in Geneva in 1923 was ratified by India in 1937. The General Act for the pacific settlement of international disputes arrived at in 1928 was ratified by India in 1931. Finally, the Protocol relating to the accession of the United States of America to the Protocol of Signature of the Statute of the Permanent Court of International Justice, formulated in Geneva in 1929, was accepted in this country in the following year.

The reservations made on behalf of India in respect of the League Conventions, particularly of the general series dealing with settlement of international disputes as described in the preceding paragraph, constitute, when taken together, very interesting reading. I have already reproduced in an earlier section the Instruments of Ratification of the Protocol establishing the Permanent Court of International Justice and of the Optional Clause of the Statute of the Permanent Court. The theory has been very ably propounded and enforced on India by His Majesty's Government to the effect that disputes between this country and the various units of the Commonwealth and Great Britain are outside the purview of the League machinery and of the Permanent Court. In almost all the International Conventions of the League of Nations ratified by India, care was always taken to see that they did not bind the Government of India for the enforcement of their provisions in the territories in India "of any Prince or Chief under the suzerainty of His Majesty". The exclusion of Indian States from the operation of International Conventions has been resented in Indian Provinces on more grounds than one, the least important of which being that, while for ornamental purposes Indian Princes were included in Indian delegations to the League Assembly and the Princes agreed to International Conventions binding upon "India as a

* I am obliged to the Officer-in-Charge, League of Nations, Indian Office, New Delhi, for considerable assistance in checking up my own notes on the ratification of League Conventions by India.

whole", their dominions were specifically excluded from the operation of this obligation undertaken by "India as a whole", though, of course, I must admit that normally the Crown Department brought these Instruments to the notice of the individual *durbars* for such action as the latter might think fit to take upon them.

I must examine here some of the specific reservations made in respect of the General Act of 1928. The Act was ratified by India subject to the following conditions:

"(1) That the following disputes are excluded from the procedure described in the General Act, including the procedure of conciliation:--

(i) disputes arising prior to the accession of His Majesty to the said General Act or relating to situations or facts prior to the said accession;

(ii) disputes in regard to which the parties to the disputes have agreed or shall agree to have recourse to some other methods of peaceful settlement;

(iii) disputes between the Government of India and the Government of any other member of the League which is a Member of the British Commonwealth of Nations, all of which disputes shall be settled in such a manner as the parties have agreed or shall agree;

(iv) disputes concerning questions which by International Law are solely within the domestic jurisdiction of States; and

(v) disputes with any party to the General Act who is not a Member of the League of Nations.

"(2) That His Majesty reserves the right in relation to the disputes mentioned in Article 17 of the General Act to require that the procedure prescribed in Chapter II of the said Act shall be suspended in respect of any dispute which has been submitted to and is under consideration by the Council of the League of Nations, provided that notice to suspend is given after the dispute has been submitted to the Council and is given within ten days of the notification of the initiation of the procedure, and provided also that such suspension shall be limited to a period of twelve months or such longer period as may be agreed by the parties to the dispute or determined by a decision of all the members of the Council other than the parties to the disputes.

"(3) (i) That, in the case of a dispute not being a dispute mentioned in Article 17 of the General Act, which is brought before the Council of the League of Nations in accordance with

the provisions of the Covenant, the procedure prescribed in Chapter I of the General Act shall not be applied, and if already commenced, shall be suspended, unless the Council determines that the said procedure shall be adopted; (ii) that in the case of such a dispute, the procedure described in Chapter III of the General Act shall not be applied unless the Council has failed to effect a settlement of the dispute within twelve months from the date on which it was first submitted to the Council, or, in a case where the procedure prescribed in Chapter I has been adopted without producing an agreement between the parties within six months from the termination of the work of the Conciliation Commission. The Council may extend either of the above periods by decision of all its members other than parties to the disputes."

It is interesting to note that the Secretary of State for India, in a communication which was received in the League of Nations Secretariat on February 15, 1939, made the following declaration: "India will continue after the 16th August, 1939, to participate in the General Act for the pacific settlement of international disputes, subject to the reservation that from the date the participation of India will not, should she unfortunately find herself involved in hostilities, cover disputes arising out of events occurring during the War. This reservation applies also to the procedure of conciliation. The participation of India in the General Act after the 15th August, 1939, will continue as heretofore subject to the reservation set forth in the Instrument of Accession in respect of India." This communication of the India Office almost literally became prophetic, for hardly within six months after its receipt at Geneva the present international hostilities broke out, and the entire *regimé* of the League of Nations, which had been so sedulously built up during the past twenty-five years for conciliation and arbitration in the sphere of international activity and interstatal relations, had crumbled like a pack of cards.

I have always felt that at best India's interests in League Conventions of this character, that is to say, India's participation in the political work of the League of Nations, has been even less than academic, and I often wondered what foreign statesmen, obsessed as they were with a sense of power politics, actually thought of Indian representatives to the League of Nations in the later years of the inter-war period when they propounded theories on international politics. I could very well imagine the world being impressed with the doctrine of the need for moral disarmament preached by Sir S. Radhakrishnan before a gathering like the International Committee of Intellectual Co-operation set up under the auspices of the League of Nations in Paris, but I am sure that when His Highness the Aga Khan, as President of the League Assembly in 1937, sought to dilate

upon either disarmament or the need for pacific settlement of international disputes he must certainly have looked an imbecile, for India never had the right or the opportunity to function as an important country in the world whose views had better be listened to with respect.

Some of the other Conventions of the League of Nations agreed to by India must be noticed here. The Convention for the suppression of traffic in women and children, subject to the provision that the Government of India reserved their discretion to accept or modify 16 years as the age limit prescribed in it, the Convention of 1923, for the suppression of the circulation of and traffic in obscene publications, the Protocol and final Act of 1925 concerning the suppression of the manufacture of, internal trade in, and use of prepared opium, the Convention on the suppression of opium smoking arrived at Bangkok in 1931 (subject to the understanding that it does not apply for the time being to territories such as the Shan States of Burma, which till 1937 formed an administrative part of this country), the Convention of 1936 for the suppression of illicit traffic in dangerous drugs —these were some of the Instruments taken in hand by the League of Nations in the inter-war period for ensuring the health and morals of humanity as a whole, and India's adhesion to them must necessarily be construed as something other than of ordinary interest.

Apart from the celebrated reports on the suppression of white slave traffic which the League Committees published from time to time, a League Commission actually visited the Far East, incidentally looking over the question of traffic in women and children in India. I am, however, not clear whether the Government of India were able to adhere in spirit to the provisions of the League Conventions on the suppression of traffic in women and children, though I confess that any legalistic action on their part would have to contend with the formidable difficulty connected with local usage and customs relating to property in women exercised in various parts of this country. It would be unfair on my part to charge the Government of India with dereliction of duty in regard to these Conventions, but it must be stated that we in this country have so long been subject to very primitive ideas of social organization, involving the denial of the right to freedom as well as the right to action on the part of our womanhood, which only law and public opinion can destroy. International rings, having a monopoly of white slave traffic, with all the sensational publicity given to the shipping of English or French girls to Buenos Aires or Cairo under bogus contracts of work as *artistes* and obviously sold out into the oldest profession in the world, are nothing compared to actual slavery sanctified by tradition and enforced by unscrupulous agents of prostitution in India. During the past five war years, observation has led one to conclude that traffic in women and children,

particularly for the benefit of the large number of troops concentrated in this country, has gone on with impunity, but it would appear that invocation at this hour of the League of Nations Conventions on the suppression of traffic in women and children adhered to by India would almost look fantastic, if not stupid.

As regards the Opium Conventions of the League of Nations, it must be admitted that the Government of India, though reserving opium cultivation and manufacture as a central subject and specifically for medicinal purposes, have lost an annual revenue of some two crores of rupees, but leaders like the late Dinabandhu Andrews and others have insisted that the policy of the Government of India regarding opium rationing to addicts, *e.g.*, in Bengal in particular, is neither humanitarian, nor strictly in keeping with the spirit and the letter of the League Conventions on the manufacture of opium and other dangerous drugs. It is gratifying to note that the opium policy of the Government of India, in consonance with obligations undertaken at Geneva, has been endorsed and applauded by millions of thinking Chinese people, for Indian opium has long since ceased to be an article of merchandize for the legal successors of John Company in India. I am not sure whether the phenomenal reduction in cultivation and manufacture of opium in this country has actually led to the disappearance altogether of narcotic or other dangerous drugs in our midst. As opium ceased to hold the attention of the world, other and more dangerous forms of drugs have been discovered in cocaine and morphine, and the illicit manufacture of these dangerous sedatives by international rings of conspirators has percolated even into this country long before the present international hostilities broke out, and actually takes a toll upon the health of the nation, with the Government of India unable to move energetically to secure its *total* suppression. I am not a connoisseur of these drugs, but it is obvious that until certain indigenous forms of drugging like *charas, sulfa* and *bhang* are also tackled as energetically as opium cultivation and manufacture were tackled by the Government of India, there is the certainty that the *regime* of the League of Nations for rehabilitating derelict humanity will not bring to us the blessings which an under-nourished, under-developed and impoverished mass of people are sorely in need.

Some of the other Conventions ratified by India include the following: the Barcelona Conventions of 1921 relating to freedom of transit and the *regime* of navigable waterways of international concern, ratified in the following year; the Convention relating to the simplification of customs formalities and Protocol of 1923, ratified in 1925; the Convention and Statute on the international *regimè* of waterways and Protocol of signature of 1923, ratified in 1925; the Convention and Statute on the Inter-

national *regime* of Maritime ports and Protocol of signature of 1923, ratified in 1925; the Slavery Convention of 1926, ratified in the following year; the Convention and Statute establishing an International Relief Union of 1927 ratified in 1929; the Convention on the Execution of Foreign Arbitration Awards of 1927 ratified in 1937; the International Convention relating to Economic Statistics of 1928, ratified in 1931; the Convention on certain questions relating to conflict of nationality laws of 1930, ratified in 1935; the Protocol relating to military obligations in certain cases of double nationality of 1930, ratified in 1932; the Convention for facilitating international circulation of films of an educational character of 1933, ratified in the following year; the Agreement for a uniform system of maritime buoyage and rules annexed thereto of 1936, ratified in 1938; the Convention concerning the use of broadcasting in the cause of peace of 1936, ratified in the following year; the Convention for the prevention and punishment of terrorism of 1937, ratified in the following year; and a few technical Conventions involving minor amendments to the Covenant of the League of Nations.

I have always felt that India's part in the League of Nations, with special reference to economic and technical questions, has been substantial, at any rate as compared to her participation in League activity in the political sphere. The Economic and Financial Sections of the League Secretariat, the Communications and Transit Organization, and the Health Committees appointed from time to time under the auspices of the League, have all devoted considerable attention to this country and have received assistance from our delegates, representatives or statesmen as the case may have been from time to time. Broadcasting from Simla a few years ago* on "Advice in Technical Matters" in the series of talks entitled "Twenty Years of World Co-operation", I said as follows: "There is generally very little appreciation of the work of the vast amount of technical *personnel* which any Government must employ in order to carry on its day-to-day work, for the business of Government in modern times is a stupendously complicated affair, and Parliaments alone cannot assure to any country the detailed means for its wise and effective governance. It is no exaggeration to say that the League of Nations is composed of and guided by a vast army of experts, each one of whom is a specialist in his own line and is endowed with the competence to view purely domestic questions of a country from an international point of view. Even in the case of political questions which the League was called upon to solve from time to time, the technical expert was always at the side of the statesmen representing the fifty odd sovereign states which took part in the Geneva deliberations. The jurist, the economist, and the scientist, who sought to give

* 8th August, 1940.

the technical guidance required by the statesmen conducting the affairs of the League have done their work almost unhonoured and unsung. To take one single illustration which is of direct importance to India, viz., the China-Burma boundary dispute, when Burma was still part of India, was solved by the League, not by means of high-sounding debates at Geneva, but by the despatch of the Iselin Commission to delimit the boundaries of both the countries on the spot. This phase of technical activities of the League is as substantial, if not as spectacular, as some of its political failures are."

I have also said: "This sort of technical collaboration between Geneva and the countries the world over is a continuous process and is continuing even today, even after the political reversals which the League has sustained in recent years. From the problem of the budgetary control of international armaments expenditure to the problems of suppression of traffic in women and children, of human nutrition, of economic depression, of rural hygiene, of suppression of circulation of obscene literature, of popularization of the cinema as a means of better education to young people, and of moral disarmament, the League was successively called upon to make its mighty contribution to human progress, and this phase of its activity alone is perhaps sufficient justification for its existence. We in this country have derived considerable assistance from the visit paid to us on deputation by Sir Arthur Salter, formerly head of the Economic and Financial Section of the League Secretariat, and on this aspect of the question I said in my broadcast address as follows: "Perhaps the most important and yet unobtrusive manner in which the League sought to give technical advice to the Governments of the world lies in the economic and financial fields. The Economic and Financial Sections of the League Secretariat hum as well-equipped laboratories for the examination of the world's economic and financial ills, and even though the results achieved by these Sections of the League did not have the popular publicity which they deserved, they are of enduring value and would have profoundly influenced the daily lives of ordinary people, if only Governments of the countries concerned set about to discharge their responsibilities to the citizens with consistency and zest. The economic and financial problems of several countries after the last World War led the League to summon the Brussels Monetary Conference in 1922, which was subsequently followed up by the World Economic Conference of 1927 and 1930. In between these Conferences, what was then the autonomous State of Austria, which was on the verge of bankruptcy, was completely rehabilitated under the League auspices—a type of financial and technical assistance which was later successfully given also to Hungary, Greece and Bulgaria."

I said further: "The extraordinary amount of technical advice devised and work accomplished by the League agency, in

regard to the preservation of just rights to the different peoples under the Mandates System, will remain a fitting monument to the labours of the idealists of Geneva. If the so-called suppressed peoples of the world hope to regain their lost liberties, as we ardently do, it is some sort of a League of Nations, based as it is on the right of the people to self-determination, which will bring about such a consummation.

"Means of communication have been so thoroughly improved during the past few decades, that problems of transport have come to be a world-wide concern, and no single country can afford to undertake any policies which are likely to prove inimical to the rest of the world. In India the waters of the Tungabhadra river brought the Governments of Madras, Mysore and Hyderabad into some sort of conflict. If this is the case with a small and homogeneous country like ours, the problems of communications and transit affecting the entire world must be many and varied. The Communications and Transit Section of the League has another worthy record of useful work set up during the past two decades. The proper apportionment and control of Danubian waters which are vital to the well-being of several European countries; the control of vast waterways of such a difficult country like China; the regulation of load line tonnages on ocean-going ships; the simplification of passport regulations, which is so important to millions of tourists and businessmen who pass on from one country to another all the year round; the moderation of motor vehicle licensing rules between one country and another, which is equally important to the tourists; the foundation work for the simplication of the Gregorian calendar; and other items of international collaboration, too numerous to be mentioned here, were equally successfully accomplished by the League and its technical organizations in recent years." We in this country have derived incidental benefits from participation in work of this character, and if today we cannot rise up to the full length of opportunities made available at Geneva, it is only because of the political domination over us of the United Kingdom.

Before I conclude the examination of India's place and part in the League of Nations, I must reproduce here one more passage from my broadcast talk dealing with the League's work in the field of health organization. I said: "It is hardly known in India that the League has sustained a gigantic piece of work by way of the study of problems of human nutrition, and what McCarrison has achieved and Aykroyd is accomplishing at the present moment at the Coonoor Laboratories in South India, are directly related to the work of the group of international experts which was assembled by the League for the study of the problem of human nutrition and for suggesting improvements of a beneficial character. Lord Linlithgow has apparently gone one step

further, obviously from an appreciation of the progress made under the auspices of the League in regard to the solution of the problem of human nutrition, and has taken in hand the stupendous task of improving the conditions of animal nutrition in this country. The vitamin and caloric values of the common foods of India have been so thoroughly investigated in recent years and improvements suggested therein, that the man in the street has come to derive an extra ounce of energy from a proper balancing of his diet, which so far has been subject to the impress of centuries of tradition, which is often times wrong, both as regards the mixing and cooking process involved in it. Further, on the initiative of an Indian delegate, the League of Nations has recently convened at Batavia an International Conference of Rural Hygiene, and the work achieved in this Conference is worthy of the study of every patriot who is rightly anxious for the reclamation of the life of the countryside of India, to let in a little more clean living, and to lend light and colour to the heroic labours of the masses who are today unfortunately victims to tradition and superstition."

INTERNATIONAL ACTIVITY OF INDIA DURING PRESENT HOSTILITIES

The outbreak of international hostilities in 1939 has automatically meant imposition of belligerency upon this country by the Government of India, without even formal consultation with the legislature, as was the case with Dominions like Canada, South Africa, Australia and New Zealand. I have reserved for a later chapter the full treatment of the political implications of Indian belligerency in the present war, and here it is only necessary to review in brief some of the international activities of India during the past five years, in keeping with the general set-up of the Empire, the Commonwealth and the League ideas of the past quarter of a century.

Belligerency has undoubtedly meant that India should become the arsenal of the Empire and even of the Allied Powers, with reference, at any rate, to the colossal military developments in territories which are near to this country. The war effort of India and the gearing up of industry to subserve war needs would require a volume for themselves and cannot be attempted here. Still, it is obvious that during the past five years the whole of the economy of this land has been bent towards subserving the needs of the Allies, and in retrospect it is clear that the course of the war would have been particularly different if this war effort of India has not been substantial. The general attitude of the Congress, the Muslim League and other political parties in the country to war effort is very well known, and despite the lack of fulsome co-operation of political parties, the record of India in the realm of war effort has been admitted even by the severest critics to be really phenomenal. Two million men in arms, and

countless crores worth of war material have gone out to fit into the scheme of the Imperial and Allied effort of the past five years, and some of the results achieved by these are best illustrated by the history of the fighting in North Africa. It is premature for any one to attempt to write a complete history of India's contribution to the speedy termination of the present international hostilities, for they are still under way. But it is clear that the future historian of the present war will undoubtedly assign to this country a place of abiding importance to the Empire and Allied effort in respect of the preservation of democratic ways of life and living the world over.

With the increase in the *tempo* of war since 1939, the various units of the Empire and Commonwealth were brought together into closer co-operation than was ever possible during the inter-war period. The creation of the Eastern Group Supply Council and its location in India were perhaps the most outstanding illustrations of the integration of Commonwealth and Indian effort towards achieving the objects in view. As war became global in character, thanks to Pearl Harbour and the subsequent entry of U.S.A. into the war, the actual and potential strategic importance of this country to the course of hostilities became more and more insistent. The visit to this country of the Grady Mission from U.S.A. was another example of Allied interest in increasing the war potential of India.

Dominions and Colonies have sent out representatives and High Commissioners to this country, and it is obvious that before the war is over not only Australia but Canada, South Africa and New Zealand would have their High Commissioners resident in this country, apart from the representative of the Ceylon Government accredited to the Government of India. President Roosevelt first sent out Colonel Louis Johnson as his envoy resident in India, and later on opened an office in New Delhi for the residence of his personal representative, Mr. William Phillips, the corresponding arrangement being the appointment of an Indian Agent-General at Washington. An Indian Agent is now accredited to Chungking in exchange for corresponding Chinese representation in New Delhi. The Indian Agent-General in South Africa is now the Indian High Commissioner accredited to the Union Government, and similar Indian High Commissioners are being sent out to Australia and other Dominions of the Commonwealth. Even Ceylon received Mr. M. S. Aney as the representative of the Government of India resident in the Island, and an Indian is being accredited to the *emigre* Government of Burma, while a representative of Malaya is in liaison with Delhi looking after that country's interests. I have half a feeling that these appointments are more or less symbolical, in so far as they do not make provision for the assumption of sovereignty by this country in her relations with the rest of the world, even though I do not minimize the point that direct personal contact between one country and another of the Allied group through

these high officers must necessarily have smoothened intercourse and quickened the pace of disposal of business, than would have been possible under the ordinary forms of communication represented by the telegraph and the air mail. Indian Trade Commissioners have gone out to Australia and East Africa in addition to those already functioning outside at the outbreak of the war, and an Indian Trade Commissioner is likely to be attached to the office of the Indian High Commissioner in South Africa.

The denial of the Atlantic Charter to India is certainly a question which will not be forgotten in this country, but "Indian delegates" have gone out to various Imperial or Commonwealth Conferences and international conferences during the past five years, with the same monotonous uniformity which characterized their activities at similar conferences during the inter-war period. India's participation in the International Clearing Union Conference, the United Nations Relief and Rehabilitation Administration, the Lease-Lend Organization, the International Monetary Conference at Bretton Woods and the Imperial Conferences and War Cabinets in London has dotted the five long years of the present war. More times than not, officials in the service of the Government of India have donned the robes of Indian representation at these Conferences though, as in the case of the International Monetary Conference, one or two non-officials found their way into the delegations from this country. With the traditional ceremony connected with the organization of the Imperial affairs, an Indian Prince was also included in the delegations from this country to the Imperial Conferences and War Cabinets of the preceding few years.

Whether the Imperial Conference and the League of Nations as known to us during the inter-war period would survive after the conclusion of Peace I cannot say, but it is clear that some sort of collaboration between the various units of the Commonwealth, including India, and between the world Powers, at any rate the Victor Powers, must exist, and will certainly continue to exist in the post-war period. The Rt. Hon'ble Srinivasa Sastri, than whom there can be no greater friend of Britain in India, demanded that Mahatma Gandhi should go out to the forthcoming Peace Conference as the representative of this country, not only for securing to us what is our due at that Conference but also with a view to making India's fundamental contribution to the delimitation of international affairs in the post-war period. If a decision to send out a purely national delegation to the future Peace Conference, meaning thereby a non-official delegation selected by something like a convention of political parties in this country, is made by the authorities, then most of the problems of India in world politics would become resolved in no time. But even the stoutest optimist in this country has his own misgivings about such an eventuality taking place. The recent record of the United Nations Relief and Rehabilitation Administration and the International Monetary Conference at Bretton Woods has

already demonstrated the utter futility of this country hoping to obtain justice from the rest of the world to her legitimate claims, and if India is to be condemned to the position of a hanger-on not only to the United Kingdom but also to the U.S.A. at the forthcoming Peace Conference, then the historical development of the past seventy-five years of India's association with Imperial and intenational activity would become meaningless, keeping pace only with the growing disillusionment in this country about our place within the framework of the British Commonwealth of Nations.

Generalissimo and Madame Chiang Kai-shek paid a visit to this country in 1942, and contacted Mahatma Gandhi and Pandit Jawaharlal Nehru. Col. Louis Johnson also did the same thing at the time of the Cripps' negotiations, but Mr. William Phillips failed in his endeavour to do so when in 1943 he was denied permission to see Gandhiji in jail. One common strand, however, was that both Chinese and American intervention, so ardently desired in three countries, was frustrated by the traditional British Monroe doctrine for the Empire and India. But I fervently hope that there will be a fulfilment of the promise of the past seventy-five years in the evolution of a status and function for this country in the organizational set-up of the British Commonwealth and the future comity of nations. If, however, such an eventuality does not occur, it is obvious that the fight for freedom by India for a place under the sun will become one of the thorniest problems of world politics in the future.

CHAPTER II

INDIA AND INTERNATIONAL LABOUR ORGANIZATION

India as High Contracting Party—India as One of World's Eight Chief Industrial States—India's Representation in International Labour Organization—International Labour Organization and Indian States—International Labour Conventions and India—Central and Provincial Jurisdiction in Labour Matters—Philadelphia Charter—International Labour Organization and Indian Workers' Movement.

In the preceding chapter we have discussed India's membership of the League of Nations and the interaction of international forces and purely nationalistic forces in this country during the inter-war period. India's membership of the League of Nations automatically involved adhesion to the International Labour Organization, and if in these days the Philadelphia Charter has become feasible, it is only because of two decades of unremitting effort, during the inter-war period, on the part of the leaders of the working people the world over, to bring into existence a *regime* of social justice, in which the White and the Black and the Brown and the Yellow have comparable rights and duties to live as comrades-in-arms in a humanized world. Capitalism still holds sway over the fortunes of mankind, despite the heroic experiment of the U.S.S.R. in the realm of socialization of property and services, and the contemporaneous events involving qualified socialization in various parts of the world, including imperialistic countries like the United Kingdom. There exists the greatest possible threat of an insistent revival of capitalism from out of the shambles of the present international war, which has wrought havoc among belligerents and non-belligerents, not only in respect of a colossal destruction of material assets but also in terms of terrific inroads into the margins of subsistence of the ordinary man in the street wherever he may be. Still, a review of the activities of the International Labour Organization, with special reference to India, is bound to be of such outstanding importance that it must be attempted here with as much detail as is necessary to indicate and stabilize India's place in world politics.*

* See my chapter entitled "India and the International Labour Organization" in *India Analysed, Vol. I, International*. London, Victor Gollancz Ltd., 1933. Other contributors to this book were Sir Alfred Zimmern of the Oxford University, Prof. Manning of London University, Prof. Berriedale Keith of Edinburgh University, and Mr. C. Wilfred Jenks of the Legal Section of the International Labour Office.

The last Great War had, amidst all its ghastliness, brought about a remarkable metamorphosis in the conscience of the world. For one thing, at any rate seemingly, the then existing capitalistic *regime* which was responsible for war was demonstrated to be fast crumbling down. For another, the workers of the world became fundamentally alive to their inherent rights which were swept overboard right through the period of that Great War. During those four crucial years of world history, labour organizations both in belligerent and non-belligerent countries firmly insisted upon the recognition of their rights in the economy of the world, and declared that no war could be waged in their own interests. Further, the unequal conditions of life and work in different parts of the world were proved to be partly responsible for armed conflicts, while a depression of living standards, particularly of the wage-earning community, in one country was demonstrated to produce corresponding difficulties in other parts of the globe. As a potent instrument for obviating future conflicts arising out of the contradictions of capital and labour, the workers of the world demanded that any peace of a lasting character and worth its name should contain a charter of labour rights. In retrospect, the efforts made by the leaders of the working people the world over between 1914 and 1918 look unreal today, but it must be said to the lasting credit of this heroic band of people, both in belligerent and non-belligerent countries, that they had securely laid the foundation-stone for a world order, in which recognition by individual governments of the place of labour in the economy of the countries under their sway, on a basis of co-equal importance with capital, was achieved. As a consequence of this universal demand for some sort of regularized industrial and social legislation, which is capable of ensuring the establishment of a *regime* of social justice for the entire world, the Treaty of Versailles contained its celebrated Part XIII, which has come to be regarded as the *Magna Carta* of the workers' world. When once this Charter of Workers' Liberties was incorporated into the Peace Treaty and declared to be sacrosanct, a new era of industrial and social activity dawned upon the human race.

As far as India is concerned, her membership of the International Labour Organization had proved to be a tremendous asset in the interests of her teeming millions of working population, even though it must be confessed that social justice has not been firmly and finally enthroned in this country even twenty years after the establishment of the International Labour Organization. The late Dinabandhu Andrews, whose claim to pass judgment on questions of this character was undisputed, wrote in 1928 as follows: "If advantage is taken of the world position of immense importance which the I.L.O. has, there can be no doubt whatever that labour conditions in India will be improved in the most rapid manner possible. I have said more than once in public and I would again repeat the fact that the amelioration of labour conditions in India by direct legislation has gone for-

ward more quickly in the last ten years since the I.L.O. was established than what was possible in the fifty years before the establishment of the I.L.O. Everyone of the great landmarks in Indian labour legislation has been put up since the establishment of the I.L.O. While up to the year 1919 it seemed quite impossible to obtain any more humane conditions with regard to labour in mines, factories and mills, after 1919 every door seemed to be suddenly thrown wide open, and we had been pressing from one act of factory legislation to another, and all these have been on the whole in the right direction."

India's adhesion to the League of Nations was genuine, despite the fact that during the inter-war period, as even today, we did not have a fully National Government finding its support in the people's will and immune to the corroding influences of vested interests, particularly of the foreign capitalist in this country whose sway over New Delhi was, and is even today, as historically unjustified as it is real. M. Mayeda, the Japanese Government delegate to the International Labour Conference of 1926, pleading guilty to the charge of non-ratification by Japan of the Washington Hours Convention, which the delegates from India raised as a point of dispute between India and Japan in respect of equal conditions of work for Indian and Japanese industrial workers, observed as follows: "I pay great respect to India for the sincerity with which she has applied the Conventions ratified by her." This is not a tribute which would only please the senses and leave us cold, but is one which illustrates the manner in which India, at any rate alone among the Oriental countries, has sought to live up to the standards of social justice laid down at Geneva by the International Labour Organization for the benefit of the workers of the world as a whole. For ten years I had taken an intimate part in the Trade Union Movement in this country, and for ten years I had in my own small way waged an insistent battle against the employers and the Government for securing a more progressive amelioration, than what was possible under the legislation taken recourse to by the Government in response to India's adhesion to International Labour Conventions and Recommendations, in the living conditions and rights of workers in this land. As president of half a dozen trade unions belonging to industrial workers and even Government employees of public utility undertakings like the Posts and Telegraphs Department of the Government of India, I had felt called upon to urge upon the employer and the Government to increase the pace and heighten the *tempo* of legislative and social action in this country which is capable of giving to the worker his dues. I claim that even today India does not find herself within sight the Utopia of a Workers' Commonwealth, but what little was achieved during the past twenty years, even as the late Dinabandhu Andrews had demonstrated, was directly traceable to the impact upon Governmental and non-Governmental activity in this country of the first principles of social justice enunciated at Geneva during the inter-war period.

INDIA AS HIGH CONTRACTING PARTY

It is scarcely known even in India that her membership of the International Labour Organization had not been achieved without a stupendous struggle. For those who were accustomed to regard the League of Nations as an expensive farce as far as India was concerned, it might come as a surprise if it is said that India's membership of the International Labour Organization was the result of a big international struggle which was carried on for a period of four years, since the Washington Labour Conference of 1919 symbolized the inauguration of the International Labour Office, over which the late M. Albert Thomas presided with such distinction for a period of fourteen years before his sad and untimely death. Historically speaking, India had been a gate-crasher as far as the League of Nations was concerned, but with respect to the International Labour Organization, India had to reckon with a tremendous amount of opposition from all corners of the earth before she could secure her rightful place in the Geneva labour set-up.

An examination of this fight for recognition as one of the eight chief industrial states of world importance is as vital today as it was to the people to whose care the fortunes of our country were entrusted over two decades ago.

The manner in which India had obtained membership of the League of Nations has been noticed in the preceding chapter, and here it is only necessary for us to take up independently the question of India's membership of the International Labour Organization. The following account is based upon my original researches in the archives of the League of Nations* and is being reproduced below, with as few alterations as are found necessary, in the confidence that in the inevitable discussions at the future Peace Conference and in the organizational set-up for a new International World Order which is likely to emerge from them, the persons to whose hands the fortunes of this country are to be entrusted would exert themselves no less than what their compeers did twenty-five years ago.

On January 25, 1919, the Peace Conference of Paris appointed a Commission of International Labour Legislation on which unfortunately India did not secure direct representation. At that time, it was not intended that India, or for that matter any of the Dominions of the British Commonwealth, should secure direct representation on this important Commission. The panel system adopted by the British Empire delegation to the Peace Conference was expected to serve this purpose. It was only during the later

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* "India and the International Labour Organization" published in the *Asiatic Review*, London, October, 1931,et.sqq., later republished in book form by Messrs. East & West Ltd., 3, Victoria Street, London, S. W. I. Price 2s. net (1931).

stages of the Peace Conference that the late Lord Sinha and the late Maharaja of Bikaner intervened on behalf of India, when the scheme for the establishment of an International Labour Organization came before the Plenary Session.

The Commission of International Labour Legislation was charged to bring into being the present International Labour Organization, as well as to prepare the agenda of the Washington Labour Conference of 1919. It also fell to this Commission that it should prepare such material as would help the Peace Conference in perfecting the labour clauses of the Treaty of Versailles, at that time under discussion. Thus, it will be seen that, at a time when the experience and resources at the disposal of the Peace Conference in respect of labour matters were limited, this Commission was asked to do too much in a hurry, and the troubles for India with respect to her desire to be given her rightful place in the International Labour Organization, as subsequent events so clearly demonstrated, are traceable to the haphazard manner in which the Commission of International Labour Legislation set about its work.

It is a well-recognized fact that British initiative was mainly responsible for the creation of the International Labour Organization. At the first sitting of the Commission of International Labour Legislation on February 1, 1919, the British Empire Delegation submitted an exhaustive scheme outlining "A Draft Convention Creating A Permanent Organization For The Promotion Of International Labour Conditions." Article XXXIV of this Draft Convention ran as follows: "The self-governing Dominions of the British Empire and India may become parties to this Convention and have the same rights and obligations thereunder as *if they were independent states*" (*italics* mine). The wording of this Article clearly indicates the anxiety of the British Government to raise the status of the Dominions and India among the nations of the world, and incidentally also to secure the collateral support which these Dominions and India can give the United Kingdom in her struggle for leadership at Geneva.

But by the time this Article came up for discussion by the Commission on February 26, 1919, the British Empire Delegation, for reasons which cannot be discerned at this length of time, thought it fit to substitute a revised draft as follows: "The British Dominions and India, as also the fully self-governing colonies and possessions of other Powers, shall have the same rights and obligations under this Convention *as if they were separate high-contracting parties*" (*italics* mine). This amended draft of the Article did not materially alter the position of the Dominions and India, but unfortunately the specific idea that these countries constitute independent States for international purposes, thereby enhancing their position in international law, was consciously or unconsciously suppressed.

It is obvious that the inclusion in this revised Draft of the self-governing colonies and possessions of other Powers, besides the British Empire, led to several complications both in regard to Imperial policy and international law. Belgium strenuously opposed this revised draft obviously unwilling to raise the status of her own colonies, and the question was referred again to the Drafting Committee. When the matter was a second time discussed by the Commission, Sir Malcolm Delevingne, the British delegate, substituted a further modified text, which dropped out reference to the possessions of other Powers, but retained the text which declared that the British Dominions and India shall have the same rights and obligations under this Convention as if they were separate high-contracting parties. This Article was finally incorporated in the text of the Draft Convention as was presented to the Peace Conference, and thus constituted the first step in the direction of elevating the status of India in her own right in regard to her membership of the International Labour Organization.

When once the question of membership in the Organization was settled, the most thorny problem connected with the membership of the Governing Body of the International Labour Office was mooted. Article VII of the British draft of the Draft Convention and the Protocol thereto sought to define the composition of the Governing Body. According to the original draft of the Protocol, it was to consist of twenty-four members, of which twelve were to be Government Representatives. Of these twelve, the five Great Powers (Great Britain, U.S.A., France, Italy and Japan) were named as those entitled to Government seats on the Governing Body, while the remaining seven were to be filled by election among the Government Representatives of the States Members of the Organization. For the residual twelve seats on the Governing Body, the employers' and workers' delegates to the International Labour Conference were to elect six each.

The Belgian Delegation once again moved an amendment to the Protocol, the purpose of which was to omit the names of those mentioned as initially entitled to Government representation on the Governing Body and to make the election procedure uniform for all the three groups, subject to the proviso that the Government group would have as many representatives as Employers' and Workers' groups put together. This amendment was unacceptable to the British Empire Delegation, while the American Delegation contended that if, in accordance with the Belgian amendment, the Government representatives were freely elected by the Government delegates present at the Conference, it would be possible for the British Empire to have a larger number of seats on the Governing Body than under the British proposal.

Owing to this deadlock, the British Empire Delegation substituted a revised Draft of the Protocol which was responsible for

all the subsequent troubles caused in connection with the composition of the Governing Body of the International Labour Office. This Draft ran as follows: "Of the twelve Members representing the Governments, eight shall be nominated by the High Contracting Parties which are of chief industrial importance, and four shall be elected by the Government delegates to the Conference. The question as to which of the High Contracting Parties are of chief industrial importance shall be decided by the Executive Council of the League of Nations." Out of evil cometh good, and out of the phrase "of chief industrial importance," which found a place in the British Draft, arose the early troubles for India in the International Labour Organization, as also the ultimate stabilization of India's place in the Organization, as will be shown presently.

INDIA AS ONE OF WORLD'S EIGHT CHIEF INDUSTRIAL STATES

Two doubts were raised on this revised Draft. The American Delegation questioned whether there was the possibility of autonomous Dominions of a particular State or of the individual states of a Federation being represented on the Governing Body, in addition to the representation which might be accorded to the parent State in question. To obviate this doubt, a clause was subsequently framed to the effect that no High Contracting Party "including its Dominions or Colonies, whether they be self-governing or not, can have more than one Government representative on the Governing Body." But happily for India, this clause was not included in the final Draft of the Protocol as accepted and finalized by the Commission. There is no doubt that, as subsequent events turned out to be, the British Empire Delegation were anxious not to tie their own hands, but to leave the door open for the Dominions and India to secure representation on the Governing Body. The second question, which was raised by the Italian Delegation, was the query whether this proposal provided for adequate representation of the working classes of countries where agriculture played an important part. On this point, the Commission evolved a formula, according to which the "chief industrial importance" clause could not exclude *Western* countries, in which a large proportion of the wage earning classes was employed in agriculture.

Elucidation of these two issues was of great importance to India. In the first place, the door was left open for the Dominions and India to press for Government representation on the Governing Body of the International Labour Office. Secondly, the "chief industrial importance" clause was interpreted as not barring out agricultural countries in the West from similar privileges. By a logical as well as equitable extension of this interpretation, India's claim in this regard was strengthened to a very great extent. Such was the position of India before the matter came up for decision by the Peace Conference.

At the Peace Conference this scheme for the creation of the International Labour Organization was passed without any serious difficulty. With the acceptance of this scheme, a fresh stage in the efforts of India for recognition by the world community was inaugurated. The provisional list of States of chief industrial importance attached to the Protocol of the Draft Convention was the cause of great misgiving, and Sir George Foster, the Canadian delegate, asked the Secretary-General of the Peace Conference whether this list was final. This enquiry resulted in a telegraphic communication dated July 8, 1919, from the Organizing Committee of the Washington Labour Conference, which was set up by the Peace Conference with its headquarters in London, to *certain States* requesting statistical information relating to an elaborate questionnaire which was expected to cover the field of industrial activity all over the world. "On the information available, though owing to war and formation of new States, statistics [are] very uncertain and compilation of list very difficult," the Organizing Committee compiled a list which included the U.S.A., Great Britain, France, Germany, Italy, Japan Switzerland and Spain, in the descending order of industrial importance, for the permanent Government seats on the Governing Body.

The Washington Labour Conference sat during October and November, 1919. Baron Mayor des Planches, Italian Government delegate, was elected Chairman of the group of Government delegates, and presented the list of Governments which was determined as constituting the Governing Body of the International Labour Office. In communicating this list, as prepared by the London Organizing Committee, the *rapporteur* observed that India and China stressed the necessity for their representation on the Government group of the Governing Body. While China did not make any specific claim for a seat, Baron des Planches observed: "Indian Delegates, through Mr. (now Sir Louis) Kershaw, refused to take part in the election, against which they protested and demanded that their protest should be communicated to the Conference. They considered that, as the Council of the League of Nations has not pronounced on the objections made to the list of the eight States of chief industrial importance as proposed by the Organizing Committee, the Governing Body could not be chosen unless there was complete unanimity, which had not in fact been secured." This protest proved to be of no avail, and the Indian Delegation refused to take part in the elections for the non-permanent seats which were filled by Spain, the Argentine, Canada and Poland.

India was not the only country which was dissatisfied with such a hasty settlement of this important question. Actually, the Conference itself registered its sentiments on the irregularities of the proceedings. A motion of censure moved by Mr. Gemmill, the South African employers' delegate, and supported by Japan, India and Great Britain, was carried by 44 votes against 39 to the

following effect: "The Conference expresses its disapproval of the composition of the Governing Body of the International Labour Office, inasmuch as no less than 20 of the 24 members of that Body are representatives of the European countries." Despite this vote of censure, the first Governing Body continued to function during the normal period of its life, which was three years. But India's moral victory at the Washington Labour Conference was assured. Even more, besides India's specific claim, the whole question of the representation of extra-European countries on the Governing Body, both for the Government, employers' and workers' groups, was raised, for the purpose of securing such modifications as would give satisfaction to all.

At this period, the late Edwin Montagu's presence in the British Cabinet as the Secretary of State for India was of tremendous importance to the gradual stabilization of India's international status and function at that period. Adverting to this very disastrous state of affairs in the organization and activities of the International Labour Office, this great British Liberal sent a strong despatch, even before the commencement of the Washington Labour Conference, on October 7, 1919, to the Secretary-General of the League of Nations, as follows: "In view of the uncertainty as to the precise meaning of the phrase 'industrial importance' and in the absence of any indication as to the basis on which the election of countries was made by the Organizing Committee, the whole matter should be referred to the Council of the League which, according to the Peace Treaty, is the arbitrator in case of such disputes." Owing, however, to the fact that the Council of the League of Nations was then not in existence, as one official record of the time put it, "a situation of some difficulty arose."

On the creation of the League Council, Montagu sent a further letter to the Secretary-General dated January 13, 1919, reviewing the proceedings of the Conference, which he claimed were "irregular and open to challenge." He stressed the fact that the existing Governing Body "would not in any sense be international and could not be expected to command the confidence of non-European States." Adverting to the vote of censure at Washington, Montagu was "confident that the irregular proceedings at Washington will not be allowed to prejudice consideration of the claim of India." Concluding, this great Secretary of State for India said: "If, in spite of the history of the case, narrated above, of the strong claim of extra-European nations, and of the disapproval of the constitution of the Governing Body expressed by a majority of the Conference itself, the Council of the League feel themselves, on grounds of expediency, unable completely to satisfy these proceedings or to include India among the eight States of chief industrial importance, I venture to suggest that the tenure of office of the Governing Body should be limited to one year, a new Governing Body being regularly set up at the next conference, and that during this period India should

be appointed as substitute for the U.S.A. [whose place was tentatively filled by Denmark] until that country joins the International Labour Organization."

At its second session in January, 1920, the Governing Body agreed in principle to the inclusion of the question of the reform of its constitution in the agenda for the 1921 session of the International Labour Conference. It was, therefore, suggested that the claim of India should be withdrawn provisionally, since the nature of the proposal suggested might be such as to provide a solution of the problem, without bringing the Indian claim before the League of Nations in accordance with paragraph 4 of Article 393 of the Covenant. No guarantee could, however, be given to the Government of India that a revision of the constitution of the Governing Body would give a seat to India. Such a compromise was found unacceptable to India. As such, the Government of India, through the India Office, further stressed their claim in a letter of April 14, 1920, accompanied by a weighty memorandum setting out in detail the industrial importance of this country. In his covering letter, Montagu urged: "To the convincing arguments set out in the memorandum, I would only add my conviction that it would be in the best interests of the International Labour Organization to remedy in some degree the disproportionate representation of the non-European States, by according a seat on the Governing Body to a country like India, which is not only of great importance, but which is faced with labour problems of a very special character affecting large bodies of workers."

This stupendous question was then remitted to the Governing Body at its fourth session held at Genoa on June 8, 1920. Meanwhile, the India Office, in order to pursue the matter to its logical conclusion, obtained an assurance to the effect that the Secretary-General of the League would bring the matter to the notice of the Council, in case no satisfactory settlement was reached at Genoa. Actually, the Governing Body was of the opinion that to give India a seat at this stage "was not feasible, and that there was no other scheme which was likely to meet with the approval of the Government of India." A complete deadlock was thus reached and, in the words of the official recorder of the International Labour Office, "the Governing Body was not competent to come to any decision in regard to the Indian claim, but they were naturally closely concerned in the matter."

Meanwhile, various suggestions were made with a view to satisfy the Indian claim, but on examination they were found to be impracticable. In consequence, India's claim came up for decision at a meeting of the Council of the League held at San Sebastian. The San Sebastian resolution of the Council revealed the anxiety of the League authorities to tide over this difficulty of first rate importance in the history of the International Labour Organization and also possibly of the League itself. Hence, it merits examination at some length.

The second session of the League Council was held at the Palacio de la Deputacion at San Sebastian in July 1921. At its second meeting, in private session, on July 31, a general discussion on India's claim took place. Signor Tittoni, representative of Italy, argued the following technical points: "That it was impossible to change the composition of the Governing Body without invalidating the nominations of all its Members; that the League Council was non-existent at the time of the appointment of the Governing Body, otherwise it could have intervened at that time; that acceptance of India's claim would mean the rejection of the claim of Switzerland, which was last on the list, without giving her any remedy for election among the remaining four seats to be filled by the International Labour Conference from time to time; that India could not find a place as a substitute member like Denmark in the place of the U.S.A.; and that the only solution was the addition of a new State to the list of the Governments represented on the Governing Body in their own right, which the Council was incompetent to do."

The British attitude to this question was expounded by the late Lord (then Mr.) Balfour, who questioned the right of the League Council from a legal point of view to intervene before the expiry of the three years of the life of the Governing Body. Remembering this attitude of His Majesty's Government, it must be stated that the then Government of India and the India Office were undaunted in the pursuit of a policy best suited to the requirements of this country, and pressed for an honourable solution of this important question, which alone was capable of giving India an honoured place in the councils of the world, not as a favour secured through negotiations in the lobby, but as a matter of essential right. Lord Balfour, it must be stated in parenthesis, stressed the special conditions of labour prevailing in India, entitling her to special representation, but this was not an argument which was either palatable to this country or acceptable to the hard-boiled statesmen of Europe to whom argument was nothing more than an exhibition of forensic eloquence.

During the course of the long discussion at San Sebastian, M. Bourgeois, the French delegate, declared that it would be difficult to fix the criteria determining the industrial importance of a State. He submitted that the non-existence of the League Council prior to the composition of the first Governing Body made it desirable that, under Article 393 of the Peace Treaty, experts should provide it with the necessary material before the next election took place. On this, the Secretary-General, Sir Eric Drummond, "reminded the Council that under the Treaty of Versailles India was entitled to ask the Council for an immediate decision. The Governing Body of the International Labour Office on the other hand had decided to proceed at once to a revision of the Constitution, in view of the elections which would be held in 1922. In these circumstances, was it advisable for the Council to appoint a Committee of Experts or to postpone its interven-

tion at a moment when it would be confronted with a new situation and with perhaps an entirely different one?" M. Hymans, Belgian delegate, who took a conspicuous part in the evolution of the League system in the early days of its existence, answered these procedural points of the Secretary-General of the League of Nations, and the Council authorized M. Matsui, the Japanese delegate, to report and submit a draft resolution on this tangled problem. This was done on August 3, 1922, at the sixth (private) sitting of the Council at San Sebastian.

M. Matsui's Report was considered at the eighth sitting of the League Council. After reviewing the origin and previous history of the Indian claim, the Japanese representative observed: "The Council is fully conscious of the magnitude of India's industrial output, the large number of her population engaged in industrial pursuits, the international importance of her overseas trade, and other circumstances which might be urged in favour of her claim to be one of the eight States of chief industrial importance. But there are special and temporary circumstances which make it inexpedient for the Council to pronounce any decision on the present occasion." He then proceeded to recount the technical objections mentioned earlier by Signor Tittoni, and declared "that the principles upon which the list was finally approved have never been formulated or communicated to the Council, and it seems impossible to revise the decision of the International Labour Conference without a knowledge of the ground on which that decision was arrived at and the exact interpretation which ought to be placed on the phrase 'industrial importance.'"

Finally, the *rapporteur* submitted the following draft resolution which was unanimously adopted by the Council: "The Council is of opinion that any ruling on this question which would involve a reconstruction of the Governing Body of the International Labour Office should not take effect until the completion of the tenure of the office of the present holders [which lasted until 1922,] but that in the meantime the meaning attributed to the words 'industrial importance' should without delay be subject to careful examination, and the comparative weight be attributed to such considerations—such as the principles of industrial or factory population in any country, the magnitude of its external trade and the character of its industrial organization—should be made the subject of a common agreement. Only thus can any permanent security be obtained that the claims of India and of any other country which may appeal under the terms of the Treaty will receive, on the occasion of future elections, the consideration which they deserve. The Secretary-General is directed to study this account of the I.L.O. and to report to the Council in time for the matter to be discussed before the next election is held."

From the above narrative, it is clear that the immediate decision of the League Council was based on purely technical

grounds. The claim of India was recognized in principle, but apparently the League Council lacked the courage to take a definite lead which is calculated to retrieve the damage done by the irregular proceedings of the Washington Labour Conference of 1919, and the consequent irregular start which the International Labour Organization had. But India Office was uncompromising in its attitude and was willing to spare no pains in taking up the matter right to the Assembly of the League of Nations itself. On being communicated with the San Sebastian resolution, the India Office obtained forthwith permission to take recourse to this step of appeal to the Assembly of the League of Nations. In the Second Committee of the First Assembly of the League of Nations, the late Sir William Meyer raised the question of India's claim. M. La Fontaine, the Belgian delegate, in his report to this Committee, discussing India's claim, took the stand that, as the question at issue was one for the decision of the Council, the Assembly had no *locus standi*. Sir William Meyer, in answer, giving an exposition of the reasons for which India claimed, said that the Governing Body as constituted at Washington was not properly representative, that the Committee's report had not been adequately considered by the League Council, and that the proceedings at San Sebastian were nothing short of "savouring of technical pleading," forgetting altogether the need for giving a decision on the merits of India's case. He recognised that the League Assembly and, consequently, its Committee, could not override the League Council, for which reason he did not propose to move a formal resolution in the Assembly, but would ask for consideration of the case on grounds of equity. He expressed the hope that from this point of view the result might be a suggestion to the Council that it should reconsider the matter and satisfy India either by putting her on the Governing Body of the International Labour Office in the place of Denmark, which was acting as substitute for the U.S.A., or preferably by getting the Governing Body, which India regarded as illegitimately constituted and discredited by the vote of censure at the Washington Labour Conference, to resign office in time for a new body to be appointed for the Conference of 1921.

Nonetheless, the Second Committee of the First Assembly of the League of Nations passed the following resolution: "In view of the terms of Article 393 of the Treaty of Versailles, which reserves for the Council of the League of Nations the right to decide on any question as to which of the members of the International Labour Organization of chief industrial importance should figure on the Governing Body of the International Labour Office, the Committee is of opinion that the Assembly of the League of Nations is not competent to deal with India's claim."

This irregular, but easily understandable, decision of the League Assembly's Committee almost made a permanent seat on the Governing Body of the International Labour Office slip through the hands of this country, but it must be stated to the

lasting credit of the late Sir William Meyer, India's first delegate to the League of Nations Assembly, that he took up courage in both hands and emphatically declared in the open session of the League Assembly, that in view of the injustice done to India, the only course open to her was to oppose the growing expenditure of the International Labour Organization, and to ask for a reconsideration of the unjust imposition upon her of an annual financial contribution to the League of Nations as a first-rate Power, while she was denied the right and privileges of representation on the Governing Body. He, incidentally, recorded the fact that though provided for in para 5 of Article IV of the Covenant, the Council did not allow a representative of India to sit as its member at the San Sebastian session when the Indian claim was considered and disposed of on such flimsy technical grounds.

In the general discussion, and after the late Sir Ali Imam spoke on behalf of India, the late Right Hon. G. N. Barnes, the British delegate and the author of the Draft Convention Creating A Permanent Organization For The Promotion Of International Labour Conditions, which was later on approved with modifications by the Peace Conference and which served as the basis for the convocation of the Washington Labour Conference in 1919, declared that "as one who was at Washington and, therefore, involved in the strictures of Sir William Meyer, I want to say that so far as I am concerned, and as far as I know the mind of those at Washington, the claims of India were never considered on their merits at all." But he added that "it was in consequence of India herself having refused to avail herself of the opportunity of taking part in the election." After these two significant statements by one of the leaders of world labour at that time, the debate was talked out by the League Assembly for want of a motion, with the result that even though the protest of the Indian delegation did not succeed in this Assembly much ground was cleared for the final settlement of the claims of India for a permanent seat on the Governing Body of the International Labour Organization in her own right as one of the eight States of chief industrial importance in the world.

Meanwhile, the Committee of Experts was appointed to enquire into this question in accordance with the San Sebastian resolution of the League Council. It consisted of M. Fontaine (France), Chairman, and MM. Inuzuka (Japan), Hodacz (Czechoslovakia) and Johaux (France) of the Governing Body, besides Prof. Gini and Commendatore Anzilotti (both Italian) of the League Secretariat. On his appointment as judge of the Permanent Court of International Justice, Commendatore Anzilotti was replaced on the Committee by Mr. Mackinon Wood (the United Kingdom), who later on became Legal Adviser to the Secretariat of the League of Nations.

This Committee held five sittings between April 1921 and May, 1922. Prof. Gini submitted a memorandum of his own,

which was appended to the Committee's Report and which raised a statistical controversy of a bewildering nature. The Committee's Report was inconclusive, but it finally paved the way for the decision of the Council. Without entering into an examination of the vast mass of statistical material gathered by this Committee to determine the relative industrial importance of the first eight countries in the world, I propose to analyse this important Report only with reference to its bearings on the claim of India. The Committee opined that "it should be first pointed out that whenever a new Governing Body is appointed, the International Labour Conference in fact *and possibly* in law has to draw up, as it may think best, the list of eight powers of chief industrial importance. But in view of the right of adjudication conferred on the Council of the League in case of complaints, it is clear that the ruling of that Body will have a decisive influence on the future resolutions of the Conference." The Committee attached great importance to Prof. Gini's memorandum of statistics, but preferred to make use of the criteria which the Organizing Committee of the Washington Conference used in 1919, with the alteration of the criterion 'total industrial population' into 'total wage-earning population.' The Committee desired to bring the statistics available at the time of the London Organizing Committee's work right up to the post-war period, though ultimately the Committee recommended the employment of the indices of Prof. Gini at a future date. In the Committee's opinion, Great Britain, France, Germany, Italy and Japan *certainly* belonged to the list of countries of chief industrial importance. Such degree of certainty, argued the Committee, attached to Canada and Belgium in the first place, and then to India, Switzerland, Sweden and, perhaps, Poland in the second place.

The Report of this Committee and the confusing mass of statistics supplied as its appendices were brought before the Council of the League of Nations at its twenty-first session in 1922. At this stage a telegram from the Government of India requested the League Council that an Indian representative should be allowed to sit on the Council, with the right to vote when the question of eight States of chief industrial importance was discussed by it, as provided for by Article IV of the League Covenant. Dr. van Hamel, Director of the Legal Section of the League Secretariat, observed that the Council, according to the procedure laid down, was the arbitrator, and that "India could not both be judge and party to the case." Lord Balfour agreed that other States might press for such a right, but urged that a representative might be allowed to personally present her case. M. Hymans (Belgium) objected that this might produce interminable discussion, while the Secretary-General thought that the criteria covered by the Committee of Experts "would enable the Council to take a final decision without difficulty." After this discussion, the Council "decided to inform the Indian Government that while, of course, it was ready to hear the Indian representative, it suggested for the consideration of the Indian Government that it might, in

view of the nature of the subject, be preferable for a written statement to be submitted, as has been done by Poland." Viscount Ishii (Japan) was then appointed *rapporteur*, and presented later on, two reports and moved a resolution which were accepted by the League Council after considerable discussion.

In his first Report dated September 13, 1922, Viscount Ishii emphasized his belief that the Council could not advantageously take a narrow view of its task and confine itself to adjudicating on the claims which could be said to have been formally submitted to it, but was confronted with a general question as to the eight Members of the International Labour Organization of chief industrial importance. He pointed out that it was of legal importance that the League Council should decide the list before the Fourth International Labour Conference passed its verdict on this question. Reviewing the Report of the Experts' Committee, Viscount Ishii said that "no statistical procedure could be suggested which will give a solution with mathematical certitude." The two alternative methods of the Committee, he said, "were severely criticized by India." Accordingly, in Tables VIII and VIIIA of Annexure II to the Report of the Experts' Committee, the figures supplied by the International Labour Office gave India the eighth place in point of importance. The figure of twenty million industrial workers submitted by the Government of India would place her fourth. But, according to table X of Annexure II, India would only get the tenth place. The great difficulty of obtaining indisputable and completely comparable figures on this matter from the various countries is illustrated by the two memoranda of the Polish and Indian Governments. For the twenty million industrial workers given by India, the International Labour Office only mentioned eight million. Concluding, Viscount Ishii urged that the Council "must recognize that it was impossible for us to obtain a solution of our problem by mathematical or strictly scientific methods. I do not suggest that we should approve either of the methods proposed by the Committee as constituting a scientific solution, or the figures supplied by the International Labour Office as being perfectly accurate and comparable statistics." While thanking the Committee for its work, he called attention to the question of future procedure, and his suggestion that an Indian representative might, after all, be given an oral hearing was accepted by the Council.

The late Lord Chelmsford was thus given permission to argue the case of India before the League Council. He proceeded to say that different criteria were used to suit the Council's purpose whenever questions relating to India came before it for disposal. Thus, he pointed out that when it was a question of payment towards League expenditure, India's population was a large factor in proving her capacity to pay. But when it was a question of her industrial importance, the same factor was, by the use of relative criteria, allowed to water down the figures of her industrial population. Lord Chelmsford further declared that the Preamble

to Part XIII and Article 387 of the Peace Treaty postulated that the human element should be the chief concern of the International Labour Organization and that, therefore, it was the human factor which must be of paramount importance in deciding what constitutes a State of chief industrial importance. If population was alone to count, Lord Chelmsford said, India's claim would be indisputable, but two objections to this criterion were raised by the Committee in their Report. These were the ratio of wage-earning population to the total population, and the strength of the trade union organization in India. In both these respects, India's position was relatively modest, but the claim of twenty million industrial workers, in addition to the wage-earners employed in agriculture in India, observed Lord Chelmsford, must still remain decisive if the human factor was given the importance indicated by the Peace Treaty. As regards the rudimentary character of the Indian trade union movement, no mention of such criterion was made in the Preamble to Part XIII of the Peace Treaty. It was the duty of the International Labour Organization to perfect the labour activity of India, and for this it was necessary, argued this ex-Viceroy of India, that an Indian representative should be on the Governing Body of the International Labour Office.

Proceeding, Lord Chelmsford attacked the tests adumbrated in the report of the Experts' Committee. He declared that "India is not afraid of being tested by any of these criteria." As regards mileage of railways, India appeared third in the list of nations. As regards horse power, she was ninth. The third criterion of maritime tonnage was hardly a test of industrial importance. It was particularly commercial in character, but India had 141,000 maritime workers, who outnumbered those of any other state member of the International Labour Organization. Almost in a mood of exasperated cynicism, Lord Chelmsford finally asked why trade was not taken as an indication of the industrial position of a country. For, when it was a question of India's capacity to pay her contribution to the League expenditure, the League itself included this norm in the table designed to settle the contribution, and successfully obtained a contribution from India befitting that of a first-class world Power. From the trade figures for 1913, said Lord Chelmsford, India ranked fifth and from the figures for 1919 she ranked third among the nations of the world. Concluding his arguments before the League Council, this war-time Viceroy emphasized India's enormous war contribution. There was no doubt that this oral statement produced a profound effect upon the League Council.

After Lord Chelmsford's speech, the League Council asked the representatives of Switzerland and Poland, which were the two other countries aspiring for a permanent seat on the Governing Body, to present their case. It is of particular interest to note here that foreign States were formally convinced of the

legitimate claims of India. For instance, M. Askenazi (Poland) in his observations respecting the Polish demand remarked: "Canada must certainly be recognized as a State of 'chief industrial importance' in the American Continent, since the U.S.A. must be left out for the present. Another country which must be recognized as entitled to similar position is India. To summarise the situation, I consider that India must be on the Governing Body, but her place is absolutely assured and guaranteed. If her place is not the eighth, it is ninth." Curiously enough, the Polish Representative further argued that "the representation of Poland is equally or even more necessary, but if Poland does not obtain the eighth place, she has no guarantee of obtaining any other place. For this reason she has the first right to obtain the eighth."

At the thirteenth meeting (private) of the League Council on September 22, 1922, Lord Balfour returned to the charge on the vital implications of India's claim, and declared: "If it had been a political discussion, the point raised by M. Hanotaux (France) concerning the preponderating influence of the British Empire would have been extremely important, but this was not a political question in any sense. It was an industrial question and there was no more connection between Great Britain and India, than between Great Britain and any other country. It was surely important that in her labour organisation India should be brought as far as possible into line with Western ideas." He then mentioned the following points as proving the case of India: it was important that India should be brought into line with the West in the matter of her industrial organisation; India had a place in one of the two alternative lists of the eight States of chief industrial importance which were prepared by the Experts' Committee; India would have appeared much higher in the list if the human element had received the consideration which was its due; and in the light of pure commonsense India's claim was predominant . After this statement by Lord Balfour, the success of India's claim seemed absolutely within sight. In his second Report of September 13, 1922, Viscount Ishii first recognised Germany, Belgium, Canada, France, Great Britain, Italy, and Japan as indisputably belonging to the list of eight states of chief industrial importance . For the eighth place, he observed: "The statistical indications were, therefore, in favour of India." Concluding, Viscount Ishii said: "We have, therefore, considered the question not merely in the light of available statistics, but also in the light of various general arguments which can be urged in favour of different countries, and we have decided that, as far as we can judge, India has the best claim to the remaining place on our list." As for Poland, the *rapporteur* remarked that the Council were "bound to take our decision on the facts before us, wthout entering into questions of industrial potentiality."

On this indisputable award given by the *rapporteur*, the Council of the League of Nations passed the following resolution: "The Council decides that the eight Members of the International Labour Organization which are of chief industrial importance are at present, in the French alphabetical order of names, Germany, Belgium, Canada, France, Great Britain, India, Italy and Japan. In accordance with the Resolution adopted by the Council at San Sebastian on August 5, 1920, the present decision is given for the purpose of the reconstitution of the Governing Body of the International Labour Office, which is to be effected by the Fourth General Conference of the International Labour Organization, and the decision is not intended to affect the composition of the Governing Body as constituted by the First Conference at Washington." The most interesting point to be noted here is that, while the Council and the *rapporteur* were battling with the task of coming to a decision as to which were the eight States of chief industrial importance, the fourth session of the International Labour Conference held in June 1922, clear three months before Viscount Ishii's Second Report, considered, *inter alia*, the question of the reform of the constitution of the Governing Body, and even before the League Council's decision was available, the Conference resolved to increase the number of seats of the Governing Body from 24 to 32, thus making its composition as widely representative as possible. India took her seat on the Governing Body of the International Labour Office at its sixteenth session on October 13, 1922.

INDIA'S REPRESENTATION IN INTERNATIONAL LABOUR ORGANIZATION

I have devoted this almost inordinate amount of space to a factual and historical discussion of the fight put up by the representatives of India to secure for her, as a matter of legitimate right, a place as one of the world's eight States of chief industrial importance, because, apart from any possible gains to the prestige of India and India's delegates to either the League of Nations or to the International Labour Conference in the immediate years following the conclusion of the Peace Treaty which might be involved in this decision, I am convinced that this stabilisation of India's position, though generally subordinate to the economy and political grip of the United Kingdom, in the sphere of international relationships is of paramount importance to the well-being of our people. While India's activity within the framework of the League of Nations proper was almost humdrum and without incident, it would appear to have almost been decided by the Fates that India should proceed from triumph to triumph inside the International Labour Organization with reference to the full-blooded expression of her nationality and nationhood.

Ever since 1922, India made strenuous efforts to obtain on the enlarged Governing Body, seats, to begin with in substitute manner, for her workers' and employers' representatives. In any tri-

angular contests between labour, capital and governments of industrial countries, it is only proper that India should have demanded recognition of her claims to adequate representation in international councils dealing with the fortunes of millions of her skilled and unskilled workers. Under democratic forms of government, national or international, the only effective way in which the constituents' voice can be heard is by means of their finding a proper place on the organs of public administration. A growing sense of her industrial importance made India press for her employers' and workers' representation on the Governing Body of the International Labour Office. Nine years after India got a Government seat on the Governing Body, a substitute employers' representative was granted a seat thereon, and Mr. D. S. Erulkar, President of the Indian Chamber of Commerce in London and the spokesman of the Federation of Indian Chambers of Commerce and Industry in Europe, took his seat on the Governing Body in 1931. Since 1934, the Indian workers also had their representatives on the Governing Body, the first two representatives being Messrs. Jamnadas Mehta and N. M. Joshi. But it must be understood that this representation of the employers and workers on the Governing Body of the International Labour Office must become effective, with the result that the representatives of capital, labour and government going from this country would be able to play their legitimate part in the evolution of an equitable and broad-based social order which had been and still is the objective for which the International Labour Organization stands. It is difficult to visualize at this stage the character and form which the activity of the International Labour Organization might take after the conclusion of the present international hostilities in the light of the recently formulated Philadelphia Charter, but it is obvious that India's representation in any future International Labour Organization must belong to the realm of leadership and not be one associated with the status of a dependant and backward country.

Time lends itself to objectivity, and judging from the history of the International Labour Organization during the past quarter of a century, it will be admitted that Indian delegates had acquitted themselves creditably. Sir Atul Chatterjee was unanimously elected Chairman of the International Labour Conference in 1927, and Chairman of the Governing Body of the International Labour Office in 1932. These achievements are of first-rate importance to India, in that they have made it possible for our country to obtain an honoured place in the councils of the world and constitute a saga of Indian triumph at Geneva, despite the prevailing choking grip of outside political domination and lack of national sovereignty. It is a very heartening feature of the work of the International Labour Office that trusted servants of the people like the late lamented Lala Lajpat Rai and others have identified themselves with the fortunes of our workers and

have willingly taken part in the work of the International Labour Organization, which they regarded as an instrument for securing the good of India. The experience which Indian delegates to dozens of International Labour Conferences in the past have gained is of great utility to this country, and I remember more than one occasion when the forum of the International Labour Conference was utilised, at any rate by the delegates of the workers' and sometimes even of the employers' groups from this country, as a platform for the expression of our national political ambitions, a feature which was not in evidence in the case of similar conferences held under the auspices of the League of Nations proper. Some of our workers' delegates to the International Labour Conference were actually cotton operatives and *sarangs.*

An examination must be made here of the methods of our representation on the various bodies of the International Labour Organization. As I have said already, the workers, the employers and the Governments of the various countries concerned take part on an equal basis in the work of the International Labour Organization. Since Governments perform the duties of buffers between employers and workers, their position has been maintained on a very high pedestal in the Governing Body. In the case of India, Government under the present Constitution nominate their delegates to the Governing Body by means of an executive fiat, without any reference to the Central Legislature. This is the case the world over, but in the case of India the wishes of the people cannot be reflected in these appointments unless and until the federal constitution of the future is fully responsible to the nation. Despite the handicaps imposed by the Constitution, I must say some of the bureaucratic servants of the country like Sir Louis Kershaw, Sir Atul Chatterjee and Sir Bhupendranath Mitra, have done yeoman service, in the true spirit of high idealism pervading the world at that time, to secure for this country an honoured place in the set-up and work of the International Labour Organization. More recently still, on the Governing Body of the International Labour Office Messrs. David Erulkar and N. M. Joshi have laid the imprint of India's non-official genius in a manner which is equally remarkable.

Next to the Governing Body of the International Labour Office, which is the executive, there is the International Labour Conference, which performs the duties of a legislative assembly. In the case of the Governing Body, the Governments have seats equal in number to the combined strength of the workers' and employers' representatives thereon. In the case of the International Labour Conference, national delegations are uniformly composed of Government, employers' and workers' delegates, their substitutes and advisers, but each group has, so to speak only the national vote, that is to say, the strength of the Government's group for voting purposes is one-third of the total strength

of the Conference. It will, thus, be seen that the entire mechanism of the International Labour Conference runs on the basis of international ,and inter-sectional compromise based on the principle of mutual check and balance. This system is often irksome, but is the only one which can be designed for the whole world on a workable basis. It must be admitted that in these international discussions the Government of India have played the part of a mediator between the spokesmen of the workers' and employers' interests of the country, several times ranging themselves on the side of labour and thus making it possible for India to adhere to the conventions and recommendations of the International Labour Organisation. This statement is not intended to be an unqualified testimonial to the Government of India, for such an attitude is their bounden duty. A vast amount of work still remains to be done by the Government of India before they can dream of ,proving their title deeds involving the confidence of the teeming millions of workers in our country.

It is recognised that the Governments of the States Members of the League of Nations and its sister organizations like the International Labour Organization and the Permanent Court of International Justice, are ultimately responsible for the selection from time to time of their delegates to these Geneva Conferences. As regards the International Labour Conferences, the Government of India actually nominate their own delegates, with the Great Mogul in London holding the whiphand. As for those of the workers and the employers, the accepted procedure under the existing understanding is that when such selection takes place the opinions of the employers' and workers' organizations in the country are to be respected by the Government. It is true that at the time of the Washington Labour Conference, the Government of India literally nominated our workers' and employers' delegates on an *ad hoc* basis. But the situation is now different and it has come to be the established custom and convention in India that the Government select these delegations from a panel of names sent up to them by the All-India Trade Union Federation, which later stood apart and became merged again into the All-India Trade Union Congress. Since war broke out, the Indian Federation of Labour, which Mr. M. N. Roy had brought into existence, sought to dominate the councils of the Government of India, and it is a tragic fact that this subsidized Labour Organization (which, according to a statement, in the Legislature of Dr. B. R. Ambedkar, the Labour Member, receives from the public funds the huge subsidy of Rs. 1,56,000 a year), should obtain nomination of representatives to the Philadelphia session of the International Labour Conference in 1944, though the older and more nationalistic All-India Trade Union Congress is to obtain the opportunity of sending its spokesmen to the next session of the Conference. I would not be foolhardy in venturing on predictions, but I am convinced in my own mind that, when

the present international hostilities cease and India comes to enjoy popular Government based upon the willing co-operation of the people, this enforced system of sending representatives of Indian labour to International Labour Conferences, alternately from the Royist Federation of Labour and the All-India Trade Union Congress would be dropped, and that the All-India Trade Union Congress would obtain once again her legitimate primacy in the councils of the working people of this country.

As for the employers' representatives from this country, it is now the accepted custom that the Government of India nominate the delegates from a panel submitted by employers' organizations in the country, with the added proviso that the delegates would be "Indian." But this convention was not arrived at from the very day when the International Labour Organization came into existence. European employers' interests in this country always claimed and, till 1932, obtained recognition of their position in the country's economy, with the result that Europeans were included in "Indian" employers' delegations to the International Labour Conferences of the earlier years, producing very naturally the protests of their "Indian colleagues" before the Credentials Committee of the International Labour Conference and even in the open session of the Conference. Such were the protests heard by assembled representatives of the world in the International Labour Conference, with respect to the sending out from India as Indian employers' delegates Sir Arthur Froome in 1926, Mr. Brown in 1929 and Mr. Tarlton in 1931. On all these occasions, the protests against the selection and sending out by the Government of India of non-statutory nationals as "delegates from India" failed to obtain the objective. I was present in the galleries of the *Batiment Electoral*, the Municipal Town Hall at Geneva, which was the then venue for the sessions of the Assembly of the League of Nations and the International Labour Conference, when, in 1931, Mr. Walchand Hirachand, spokesman of the Indian employers and one of the members of the employers' group of the Indian Delegation to that year's International Labour Conference, walked out of the Conference Hall, as a protest against the manner in which the Credentials Committee upheld the practice of the Government of India to send out non-statutory nationals of India as Indian employers' delegates. Who was not thrilled at the tremendous impression created by the walk-out of this khadi-clad and turbaned patriot, who earlier, in vindication of the self-respect of this country in terms of the great political struggle then going on, returned to His Majesty the King the decoration of C.I.E. conferred upon him for his business acumen?

Prior to 1932 there were no employers' organizations as such in existence in this country. After the Walchand walk-out of 1931, the All-India Organization of Industrial Employers was

organized, more or less as a co-equal organ of the Federation of Indian Chambers of Commerce and Industry representing Indian employers. Seth Walchand Hirachand, who was President of the Federation of Indian Chambers of Commerce and Industry in 1932, was responsible for the creation of this body. A little later the Associated Chambers of Commerce, which is predominantly a European affair, also launched its ancillary body, the Employers' Federation of India, the moving spirit of which was Sir Homi Mody. Till 1929 the Government of India scrupulously issued their annual *communiques* inviting from employers' interests names of people who should go out to Geneva, on the basis of selection by the authorities themselves. The creation of the All-India Organization of Industrial Employers and the Employers' Federation of India, however, meant a new phase in the activity of India as a Member of the International Labour Organization. Attempts were made for some sort of an agreement between these two employers' organizations, and in March 1933, a committee consisting of Mr. Walchand Hirachand, Mr. G. D. Birla and Mr. (now Sir) Sri Ram of the All-India Organization, and Mr. H. P. (now Sir Homi) Mody, Mr. (now Sir) Edward Benthall and Mr. F. E. (now Sir Frederick) James, with Sir Purshotamdas Thakurdas as 'neutral' member, was appointed to settle once for all the vexed question of selection of Indian employers' representatives for the purposes of the International Labour Conference. The Walchand-Mody Agreement of 1933 (taking its name from those of the presidents of these two employers' organizations) arrived at the principle that "delegations to international and imperial conferences shall always be Indian," with a rider that delegate-advisers may be non-Indian, where Indians with requisite technical qualifications are not available. The agreement was renewed for a further period in 1936, after the initial period of three years was over. The Tripartite Labour Conference convened by Dr. B. R. Ambedkar in 1942, further improved this machinery of consultation between the Government and the employers' and workers' interests. The present position is that the Presidents of the All-India Organization of Industrial Employers and the Employers' Federation of India consult together and submit an agreed list of names to Government for purposes of nomination to the employers' group of the Indian delegation to the International Labour Conference, *e.g.*, the Philadelphia Labour Conference of 1944. The Government of India have, at any rate, this year dropped the issuance of a *communique* asking for names being sent up by employers' interests, and both these organizations of employers in the country submitted on invitation exactly the number of names for the places available in the employers' group of the Indian delegation to the International Labour Conference. I would, however, not speculate about the future, for, with the realization of national freedom, many changes might take place, both as regards first principles and procedure connected with India's participation in the International Labour Organization.

THE I.L.O. AND INDIAN STATES

Before an examination is made of the beneficial interaction of activity at Geneva on the industrial and social policies of the Government of India during the inter-war period, note must be taken of the special position of Indian States, *vis-a-vis* the International Labour Organization. The hundred million subjects of Indian States, which occupy one-third of the territorial surface of India, are unfortunately outside the direct purview of the International Labour Organization, and during the past quarter of a century the greatest possible concern was being felt by the people of Indian Provinces about the need for levelling up the social and economic conditions of their brethren in the Indian States, with results which are still not satisfactory.

Article 405 of the Covenant of the League of Nations runs as follows:

"Each of the Members undertakes that it will, within the period of one year at most from the closing of the session of the Conference, or if it is impossible owing to exceptional circumstances to do so within the period of one year, then at the earliest practicable moment and in no case later than eighteen months from the session of the Conference, bring the Recommendation or Draft Convention before the authority or authorities within whose competence the matter lies, for the enactment of legislation or other action.

"In the case of a Recommendation, the Member will inform the Secretary-General of the action taken.

"In the case of a Draft Convention the Member will, if it obtains the consent of the authority or authorities within whose competence the matter lies, communicate the formal ratification of the Convention to the Secretary-General and will take such action as may be necessary to make effective the provisions of such Convention.

"If on a Recommendation no legislation or other action is taken to make a Recommendation effective, or if the Draft Convention fails to obtain the consent of the authority or authorities within whose competence the matter lies, no further obligation shall rest upon the Member.

"In the case of a Federal State, the power of which to enter into Conventions on labour matters is subject to limitations, it shall be in the discretion of that Government to treat a Draft Convention to which such limitations apply as a Recommendation only, and the provisions of this Article with respect to Recommendations shall apply in such a case."

Article 408 of the Covenant reads:

"Each of the Members agrees to make an annual report to

the International Labour Office on the measures which it has taken to give effect to the provisions of Conventions to which it is a party. These reports shall be made in such a form and shall contain such particulars as the Governing Body may request. The Director shall lay a summary of the reports before the next meeting of the Conference."

It will be seen that under the Montagu-Chelmsford Reforms, which dealt with Indian Provinces as constituting the basis for unitary Government emanating from New Delhi, the 600 Indian States were automatically left out of account, and hence a technical and yet practical difficulty in respect of the application of International Labour Conventions and Recommendations to Indian States has thus arisen. At the time of the Imperial War Cabinets of 1917 and 1918 and the Peace Conference of 1919, and for the various sessions of the League of Nations Assembly during the inter-war period Indian Princes were attached to our delegations as a matter of course. For all external juridical purposes India was considered as a single entity, and the Foreign Jurisdiction Act applies to the subjects of Indian States, once they leave the shores of India, on a par with those of Indian Provinces. Thus, when India became an original Member of the League of Nations, respect was paid to her territorial and juridical unity. But unfortunately no attempt was made to settle the complicated question of the jurisdiction of a Central authority, or the lack of it, as far as the ratification of International Labour Conventions for and on behalf of Indian States, which though subject to the suzerainty of the Paramount Power possess widely varying degrees of international sovereignty, was concerned. But this membership of the League of Nations, involving her automatic adhesion to the International Labour Organization, had produced numerous difficulties of tremendous practical import to the ordered progress of the masses of Indian India. These difficulties were less intense on the purely League side, that is to say, in connection with India's Membership of that institution, *minus* the international Labour Organization. There were very few occasions when the Paramount Power was required to bring the Indian States into the picture and to see that International Conventions of the League of Nations, such as the Opium Convention, the Convention relating to the Manufacture of Arms and Ammunition, the Convention concerning the Suppression of Obscene Publications and others, were adhered to by India as a whole. Even here it must be remembered that the presence of an Indian Prince or his Minister in recent times in the Indian Delegation to the League of Nations did not in any way confer upon him a representative capacity on behalf of the Indian States, but only remained for formal purposes to merely demonstrate India's juridical entity in the international sphere.

But in the case of the International Labour Organization, the problem presented by Indian States was distinct and

dangerous in its implication, so far as the progress of the workers of Indian India was concerned. For one thing, it was never the practice to associate Indian States with our delegations to the International Labour Conference, even though a solitary instance occurred when Mr. Ramji Das Vaishya of Gwalior was appointed as employers' delegate substitute in 1930. Apart from this, under Article 405 of the Treaty of Versailles it is obligatory on the part of the High Contracting Parties to bring all International Conventions accepted by them before the competent legislative authorities for their ratification and subsequent periodical report to the International Labour Office on the action taken on them. In the case of India, observance of a clause like this would have meant the bringing of the International Labour Conventions to the notice of dozens of non-descript legislative bodies such as existed in some of the Indian States, while hundreds of individual States which have no such quasi-democratic ornaments would have to default and thus prevent the Provinces from ratifying the said Conventions.

To avoid this certain obstruction to the social progress of the workers of Indian Provinces, and to meet the insistent criticism against the existence of this unfortunate lacuna, the late Lord Birkenhead, when he was the Secretary of State for India, in 1927, laid down certain fundamental propositions, which are maintained even today. In a despatch dated Septmeber 26, 1927, Lord Birkenhead informed the Secretary-General of the League of Nations that, in view of the peculiar position of the Indian States, the Government of India could not undertake the obligation to make effective in these territories the provisions of a Draft Convention, and that it follows, therefore, that a Draft Convention could be ratified by India only in the sense that the obligations were accepted as applying to the Indian Provinces. If the consequences of ratification were to apply to the whole of India, it would be necessary under the procedure laid down in Article 405 of the Treaty of Versailles that, in the case of each of the Indian States a Draft Convention should be brought before the authority within whose competence the matter lies for the enactment of legislation or other action and, if this cumbersome procedure could be carried out, the failure of a single State to make effective the provisions of a Convention would presumably prevent ratification for India as a whole. Further, even if these difficulties should be overcome, said Lord Birkenhead, it would be necessary in order to comply with the provisions of Article 408 of the Treaty to obtain from each of these several hundred States an annual report on the measures taken to give effect to the provisions of the Convention in question. Thus, it was clear, Lord Birkenhead concluded, that if the obligations arising out of the Draft Convention were not limited to the Indian Provinces, the only course open to the Government of India would be to refuse to ratify *all* Draft Conventions—a course which they

would be most reluctant to adopt, since in their progressive programme of social legislation they have in the past derived so much inspiration from the work of the International Labour Organization. Lord Birkenhead, however, assured the Secretary-General of the League of Nations that, although unable to assume obligations in regard to Indian States, the Government of India would, (on the analogy of paragraph IX of Article 405 of the Treaty of Versailles) when a Draft Convention has been ratified by India, bring it to the notice of these States to which its provisions may appear to be relevant, and would also be prepared, when necessary, to use their good offices with the authorities of such States to induce them to apply the provisions of the Conventions within their territories as far as possible.

It is clear that the position of Indian States in regard to the International Labour Organization remains today as untenable as it was inconvenient seventeen years ago. Again and again, it had been admitted in Provincial and Central Government Administration Reports, that the virtual exemption of Indian States from the obligatory extension to their territories of Indian legislation based on International Labour Conventions, ratified by India as a whole, *e.g.*, the revised Factory Acts, had tended towards the shifting of industry from Indian Provinces to Indian States, notably in the Punjab and Central India. This migration of industry was possible because capitalists found less onerous conditions governing employment of labour in the Indian States than in the Indian Provinces, which came under the all-pervading influence of the International Labour Organization during the inter-war period.

This migration of industry would not have mattered in the least, since Indian States form as important a portion of India as the Indian Provinces, but for one dangerous practical implication. Less satisfactory conditions of life and work for labour in Indian States, as they undoubtedly exist today, react unfavourably upon the actual conditions of labour in Indian Provinces. It is an indisputable fact that this millstone of Indian States round the neck of Indian Provinces has succeeded in considerably depressing the living standards of workers of Indian Provinces. Apart from coming across vague and unsatisfactory references to progress of industrial and social legislation in the annual Administration Reports of individual States, I have not known any instances in which Indian States submitted specific reports of action taken on the International Labour Conventions ratified and Recommendations accepted by the Indian Central Legislature, unless it be that such reports are confidential and are considered the exclusive property of the Crown Representative which had better be kept under *purdah*! This lacuna was sought to be remedied in the Round Table Conferences, the Joint Parliamentary Committee and in the Constitution Act of 1935 by means of concurrent Federal and Provincial (presumably including States)

jurisdiction over industrial and labour matters. The position is, however, still obscure in view of the fact that the Indian States possess the inherent right to contract out of the International Labour Conventions ratified by India, or for that matter, from any other jurisdictional control over their internal administrations, while it is open to any or all of them to successfully torpedo the federal scheme by standing out in complete isolation.

Under Section 6(2) and (3) of the Government of India Act, 1935, it was laid down, with reference to the accession of States to the future Federation of India, as follows: "An Instrument of Accession shall specify the matters which the Ruler accepts as matters with respect to which Federal Legislature may make such laws for his State, and the limitations, if any, to which the power of the Federal Legislature to make laws for his State, and the exercise of the executive authority of the Federation in his State, are respectively to be subjected. A Ruler may, by a supplementary Instrument, executed by him and accepted by His Majesty's Government, vary the Instrument of Accession of his State, by extending the functions which, by virtue of that Instrument, are exercisable by His Majesty's Government or any Federal Authority in relation to the State."

I am not at all clear that, even after the advent of Federation, which now seems to be a long way off, Indian States would move side by side with Indian Provinces in a co-operative conclave fully pledged to the uniform emancipation of the workers of our country. It may be that the Statute is defective in this regard and that it cannot guarantee uniform conditions of life and work in these component parts of the future Federal India. But it is a patent fact that it is to the standing benefit of Indian States themselves to adhere to the International Labour Conventions, and to bring about a unity of outlook and co-operation among the toiling masses of the entire country, enabling them thus to rebuild our national fabric on sound lines. Towards achieving this end, the International Labour Organization must, as and when it is revived after the conclusion of the present international hostilities and restored to the full panoply of its former glory, exert its moral influence. But if the Indian Princes refuse to listen to reason, I am afraid numerous Ulsters would be formed in the Indian States and succeed in undermining the very stability of the Princely Order, besides creating black spots in the industrial and social map of the country. It is the earnest hope of all reasonable persons in our country that such a tragedy would be averted, at least for the sake of our continued and useful collaboration with the International Labour Organization.

Since war broke out, there was, in view of the high incidence of taxation in Indian Provinces, almost an onrush of industry from the Indian Provinces seeking outlets in Indian States, with the result that the Government of India were obliged to issue series of Ordinances dealing with dismantling and removal

factories in Indian Provinces and their location in Indian States. Contemporaneously with this migration of industry from Indian Provinces to Indian States, there was also a hectic boom in the floatation of companies by the dozen in the Indian States in order to avoid the taxation of Indian Provinces, irrespective of the fact whether the floatation of such companies was justified by any particular and specific advantages such as access to raw materials, etc., in the Indian States or not. This tendency also was sought to be curbed by the Government of India by the issue of their Ordinances dealing with capital issues, under which no scrips of companies floated in Indian States can be unloaded on Indian Provinces without their permission. But it must be said that, despite these restrictive and regulating action of the Government of India, there has been a considerable migration of industry to and concentration in Indian States during the present war period, with the result that a further depression of industrial and social standards, in so far as the fortunes of the workers are concerned, has also set in in the process. In the future Federation of India, if at all such a Constitution comes into existence obtaining the unqualified allegiance of the Indian States, one of the first problems which await solution would necessarily be the integration of industrial and labour conditions in the Provinces and the States, which then will naturally become co-sovereign units sharing in common the perils and benefits of a glorious national Commonwealth of India. The concurrent lists with respect to the legislative powers of the Centre and the Provinces, as embodied in the Seventh Schedule of the Constitution Act of 1935, must necessarily have a parallel in such a future Federation of Indian Provinces and Indian States. But even this concurrent legislation as between Indian Provinces and States, and as between the Centre and the Indian Provinces, might not be enough. It is to the lasting advantage of the Indian States themselves that industrial and labour conditions are improved and brought into line with those prevailing in the Indian Provinces (which, in any case, are lagging far behind those prevalent in highly industrialised States of the West), for any improvement in the efficiency and well-being of the labour would automatically tend to bring about an increase of productive output in and consequently greater revenues to the States themselves. The Rulers of Indian *durbars* today and tomorrow owe a tremendous duty to their subjects, and even on the purely selfish considerations of their self-preservation the Princes of India should endeavour to obtain the loyalty and co-operation of their subjects, the vast majority of whom are unlettered and unorganised workers, which will only be possible through a *regime* of social justice and security which can incidently be provided for by improved industrial and labour legislation.

INTERNATIONAL LABOUR CONVENTIONS AND INDIA

Writing in 1933, I ventured to make the following observa-

tion: "To an important group of nationalists in India her membership of the League is an expensive farce intended to aid Great Britain in her fight for supremacy in the Geneva organizations. This *may be* true on the purely political side of the League's activities. But, in the International Labour Organization, substantial opportunities have been given to India to pursue an independent line of action. The other point is that, even while the country did not as yet secure the qualified benefits of the Montagu-Chelmsford Reforms, the India Office, which is one of the Departments of His Majesty's Government in Great Britain, strenuously fought for justice and equal rights for her ward. Montagu's presence on the *gadi* of the Great Mogul must be stated to have been responsible for this important result." It is too tragic to record here the manner in which during the early thirties of the present century the enthusiasm of the Government of India had waned with reference to the activities of the International Labour Organization, but it is clear that, if only to prepare the ground for a stabler system of social justice in which Indians have to participate in the post-war period, an examination must be made here of the interaction of International Labour Conventions and Recommendations upon industrial and social legislation and activity in this country.

To quote, again, what I have written in 1933: "It is difficult to indicate exactly the direct beneficial results which accrued to India as a result of her participation in the work of the Organization. Quite a good number of International Labour Conventions and Recommendations have been evolved at Geneva during the past fourteen years. It is doubtful whether any exact correlation can be established between an accepted Convention or Recommendation and national industrial and social legislation in any country. A Convention may be ratified and still no national legislation may take place. A Convention may, according to the present loophole, be accepted by a country as a Recommendation only, in which case no obligation rests upon the State concerned for direct national action. In any case, there is no plenary obligation in such acceptance upon any of the Members of the Organization that they should be in a position to submit annually tabulated accounts indicating the actual manner in which national efforts are correlated to international effort as planned out at Geneva. A defaulting State need not have any pangs about the *penalties* to be incurred for slackness or for direct violation of obligations undertaken. Further, in a country like India a substantial portion of the territory, as in the case of the States, may be outside the pale of the Geneva Resolutions. At best, International Labour Conventions express a faith in the human nature, but are nonetheless instrumental in influencing national legislative effort. A Geneva Resolution has this much in its favour that it represents the largest measure of world co-operation upon specified matters whose lead had better be followed

by the World States which are Members of the Organization. In the case of India, among all the Oriental countries, such an influence is extremely remarkable. A statistical exposition of Conventions ratified by a country- and India has a record of 35 per cent. of International Conventions in her favour—cannot, as such, serve as a fitting index to this international co-operation."

The Washington Labour Conference held its sittings when the Montagu-Chelmsford Report was still in the embryo and the present Constitution still to be born. As such, the Conventions and Recommendations of the Washington Labour Conference were not presented to the old Imperial Legislative Council, which, in the statement made by Sir Thomas Holland to the first Indian Legislative Assembly, under the Montagu-Chelmsford Reforms, on February 19, 1921, was then in "senile decay." The Government of India made a consistent effort to give the present Assembly the power to discuss all matters connected with the League of Nations and the International Labour Organization, and Sir Thomas Holland affirmed the fact that the Central Legislative Assembly, under the procedure of Article 405 of the Treaty of Versailles, "is one constituent of the competent authority, and I congratulate the Assembly on having the privilege in the first Session of having to deal with the earliest measures adopted by the League of Nations in the cause of humanity."

This policy of the Government was, on at least two occasions, reiterated with emphasis. While discussing the Draft Convention of the League Assembly for the Suppression of Traffic in Women and Children, Sir William Vincent declared in the Central Legislative Assembly as follows: "Once we pledge ourselves to introduce legisation, then we shall have to do it, and will do so at the earliest opportunity, and a great work of reform of this character will not be delayed." The late Sir Muhammad Shafi in reply to a question put by Mr. P. Karandikar in the Council of State on May 27, 1924, went one step further in clarifying the position of India in relation to the statutory basis or the lack of it of International Conventions in the following words: "An International Agreement cannot, in the nature of things, be ratified save by, or on behalf of, the governments of the countries which are parties to the Agreement, and it is in this capacity, and not as statutory law that the Governor-General-in-Council ratifies or declines to ratify International Agreements to which India is a party. Where legislation is necessary to implement an international Agreement, the Government of India have consistently adopted the practice of submitting the question of ratification to both Chambers of the Indian Legislature by moving a resolution recommending ratification or non-ratification as the case may be."

It will, thus, be seen that prior agreement in principle on International Labour Conventions and Recommendations, when they were arrived at at Geneva, was a condition precedent to the Government of India bringing forward proposals for disposal by the Central Legislature. For this, it must be guaranteed that Indian delegates to the International Labour Conference must be nationals in the first instance and responsible to the Legislature in the next, a proposition which we have come across with greater force with reference to India's work in the League of Nations, as outlined in the preceding chapter. But, as I have said earlier, under the existing constitutional dispensation such a thing is impossible.

It is, however, interesting to remember that the Central Legislature, despite the handicaps it had to labour under, *e.g.*, a solid *bloc* of nominated votes behind the Government and the lack of properly regulated ideological parties committed to a progressive policy of social legislation, consistently fought out this question during the inter-war period, particularly during the first decade after the establishment of the League organization. Curiously enough, the Council of State, a very reactionary body by its very composition, was conspicuous in taking up these problems of India. As early as March 20, 1922, the late Sir Phiroz Sethna moved a resolution in the Upper House to the effect that to all International Conferences delegates "elected by the Indian Legislature with definite instructions" should be sent, but the resolution was negatived. On March 1, 1927, the late Lala Lajpat Rai, in the Lower House, closely questioned the parsimony of the Government in sending incomplete delegations to the International Labour Conferences . On March 13, 1928 Mr. N. M. Joshi in the Assembly got a motion through censuring the Government of India by 73 to 47 votes, that they were not sending a full delegation to the International Labour Conferences. A few minutes after this, Government sustained another big defeat by 76 to 45 votes on Mr. Joshi's other motion that the Indian Delegations to the League should be led by an Indian, but reaction set in and the motion was negatived by 20 to 16 votes! On March 18, 1929, Sir Phiroz Sethna and on March 19, 1934, Rai Bahadur Lala Jagdish Prasad moved similar resolutions in the Upper House, but were obliged to withdraw them, on account of the reasserting conservatism of its members and the presence of a huge nominated *bloc* which were sure to prevent these popular demands carrying the day.

It must be recognised that the Central Legislature as at present constituted is full of objectionable features. As far as International Labour Conventions and Recommendations are concerned, the restrictive system of franchise is a definite impediment in the way of real progressive industrial and social legislation. The presence of nominated *blocs* in both Houses of the Central Legislature is still a greater difficulty, even when the

happy conjunction of a unanimity of views prevails among all the interests represented on the popular benches. Normally, whenever International Labour Conventions are before the Central Legislature, interest flags and the spokesmen of workers, accredited or otherwise, are usually confronted, even today, by empty benches opposite. This I can say from ten years' experience in the press galleries of the Central Legislature as a working newspaperman. Consequently, the Government usually succeed with their decisions arrived at in the traditional bureaucratic fashion without any difficulty at all.

On two or three occasions, however, the Government were seriously challenged, if only to vindicate the self-respect of India, in the present Central Legislature. On January 31, 1920, the Rt. Hon'ble V. S. Srinivasa Sastri moved an amendment to the Government motion in the Council of State for deferring action on the International Labour Recommendations regarding the protection of women, children and young persons employed in agriculture, to the effect that an enquiry into these questions should be instituted with special reference to labour employed on tea and rubber plantations, but his attempt ended in failure. This was about the only time on the part of the Council of State to take direct detailed cognizance of national legislation in India, which finds its basis in the obligations India assumed by virtue of her membership of the International Labour Organization. The moral of this episode is, however, significant.

But the Government sustained a severe shock on at least two occasions when they tried to rush the Central Legislature into a certain type of action on the International Labour Conventions. On March 13, 1931, Sir Frank Noyce attempted to shut out public opinion by proposing in a precipitate manner that the Convention concerning hours of work in automatic sheet-glass works be not ratified. Mr. B. Das's amendment that consideration of the Government resolution be postponed till the Simla Session and until the results of the Indian Tariff Board's enquiry into that industry, then in progress, were available, was carried by 51 to 41 votes. There was even another shock awaiting Government on the same day. A few minutes later, Sir Frank moved that the Convention ensuring benefits or allowances to the involuntarily unemployed people and the Recommendation concerning unemployment insurance and various forms of relief for the employees be not ratified or accepted. Mr. N. M. Joshi moved an amendment that "such steps, legislative or otherwise, may be taken for the relief of unemployment, as would lead to the ratification of the Draft Convention and the acceptance of the Recommendation as soon as practicable." Mr. Joshi's amendment secured a tie of 52 votes, but the President, Sir Abdul Rahim, gave his casting vote to the popular benches—a very courageous decision indeed on the part of the President, who normally is obliged to maintain the *status quo*. The strangest thing then

happened when the Government got rejected the amended resolution, when pressed to a division, by 54 to 53 votes! This only shows the vagaries of the lobby of the Central Legislature under the present constitution, which permit the Government of India to literally play ducks and drakes with the votes of the legislators in such a disgustingly ludicrous manner. No elaborate commentary is necessary to show that as long as the constitution of India is not broad-based, the workers of the country cannot hope for speedy and fundamental amelioration of their conditions of life and work. Still, it is with some satisfaction that the workers of India note that the Government of this country, even as compared with the Governments of Japan and China, have a good record of adhesion to the International Labour Conventions and Recommendations.

A rapid review of the ratifications by India of International Labour Conventions must be made here. In addition to the Berne Convention on white phosphorus which was upheld by the International Labour Organisation in 1919, India had among others ratified the following Conventions: Convention limiting hours of work in industrial undertakings (1919); Convention concerning unemployment (1919), though denounced by the Government of India in 1938; Convention concerning employment of women during night (1919); Convention concerning night work of young persons (1919); Convention concerning the rights of association and combination of agricultural workers (1921); Convention fixing the minimum age for admission of young persons to employment as trimmers and stokers (1921); Convention concerning workmen's compensation for occupational diseases (1925); Convention concerning equality of treatment for national and foreign workers as regards workmen's compensation for accidents 1925); and Convention concerning the simplification of the inspection of agreements on board ship (1926). Quite a large number of these ratifications have been deposited with the League Secretariat indicating or foreshadowing the nature of legislative action taken or to be taken by India in terms of the spirit of these conventions. Other Conventions which have not been ratified for technical or special reasons but which have been instrumental in stimulating Indian legislation are, among others, the following: Convention on the employment of women before and after childbirth (1919); Convention on the minimum age for admission of children to industrial employment (1919); Convention on the minimum age for admission of children to employment at sea (1920); Convention on unemployment indemnity in case of loss or foundering of ship (1920); Convention on facilities for finding employment for seamen (1920); Convention on white lead in painting (1921); Convention on workmen's compensation for accidents (1925); Convention on seamen's articles of agreement (1926); and Convention on repatriation of seamen (1926).

As has been pointed out above, it is not always scrupulously possible for us to link up each of these ratifications with Indian labour and industrial legislation, but the general impression is clear that each of our national acts during the inter-war period in the realm of social legislation has some bearing or other upon international labour legislation as arrived at at Geneva. To illustrate what has been done in terms of legislation in this country with respect to International Labour Conventions, the following summary will be very interesting: the wholesale revision of the Factories Act in 1922 with subsequent amending Acts; the Act regulating child labour in Ports passed in 1922; the Mines Act in 1923, with the amending Act relating to shifts passed in 1928, and more recent amendments relating to sand-stowing, employment of women underground, etc., on account of war conditions; the Workmen's Compensation Act of 1923, with two amending Acts passed in 1926 and 1929 respectively; the Act of 1925 repealing the Workmen's Breach of Contract Act and the provisions of a similar kind in the Indian Penal Code; the Trade Unions Act of 1926, with subsequent amendments of 1928 and 1944, dealing with recognition of Trade Unions, etc.; Act XXVII of 1927 amending the Indian Emigration Act of 1922, with subsequent amendments; the Trade Disputes Act of 1929; and the Act of 1930 amending the Indian Railways Act of 1890.

In view of the fact that labour legislation is a concurrent responsibility of the Centre and the Provinces, mention must also be made of what has been done in some of the Provinces, such as the Coorg Act of 1926, which gave an extension of five years to the system of criminal punishment of breaches of contract by the workmen; the Madras Act of 1927 which repealed the older Madras Planters' Act which provided penal sanctions to workmen's breach of contract; and the two Maternity Benefits Acts adopted by Bombay in 1929 and the Central Provinces in 1930, and similar legislation in the U.P., Madras, Bengal, the Punjab, and Assam, and a Central Act passed in 1941 covering all the Indian Provinces.

A tabular approach to the ratification of International Labour Conventions will be found illuminating. Table I, prepared by me on the basis of my researches in the records of the Council of State and the Legislative Assembly, gives a chronological statement of the action taken by India on International Labour Conventions and Recommedations. Table II, supplied to me by the International Labour Office, India, approaches this question from the viewpoint of individual International Labour Conventions on which action was taken in this country. It is to be regretted that no comprehensive data is available on the action taken or not taken on the Recommendations of the International Labour Conferences.

TABLE I

(Ratifications According To Indian Central Legislature's Records)

Date.	By Whom Piloted	Short title of Instrument.	Action taken.
19th Feb., 1921	Sir Thomas Holland.	1. Hours of work.	Ratified.
		2. Minimum age for admission of children to industrial employment.	Do.
		3. Disinfection of wool infected with anthrax.	Inquiry ordered
		4. Establishment of Govt. Health services.	Do.
		5. Protection of women and children from lead poisoning.	Recommendation alone accepted.
26th Sept., 1921	Mr. (now Sir Charles) Innes.	1. Limitation of hours of work in fishing industry.	Not accepted.
		2. Establishment of National Seamen's Code.	Do.
		3. Unemployment insurance for seamen.	Do.
		4. Unemployment indemnity in case of loss or foundering of ship.	Not ratified.
		5. Establishment of facilities for finding employment for seamen.	Do.
		6. Fixing minimum age for admission to employment at sea.	Ratified.
11th Sept., 1922	Do.	1. Weekly rest day in commercial establishments.	Commended to local governments. Joshi's amendment to have it applied to cities with lakh and over people negatived.

Date.	By whom piloted	Short Title of Instrument	Action taken.
11th Sept. 1922	Mr. (now Sir Charles) Innes.	2. 48-hour week in inland navigation. 3. Minimum age of admission of young persons to employment as trimmers and stokers.	Not accepted. Ratified. Joshi protested against reduction of minimum age from 18 to 16 years.
18th Feb., and 18th March, 1926	Sir B. N. Mitra.	1. Workmen's compensation for occupational diseases.	Ratified.
6th Sept., 1927	Mr. A. N. (now Sir Ardeshir) Dalal.	1. Simplification of inspection of emigrants on board ship and protection of women and girls on board ship.	Ratified. *N.B.*: This is the resolution of 1924 Rome International Conference on Emigration and Immigration, but is included here for relevancy.
19th Sept., 1927	Sir George Rainy.	1. Articles of Agreement of Seamen and Repatriation of Seamen.	Action postponed.
28th March, 1928	Sir B. N. Mitra.	1. Sickness Insurance.	Not ratified. Joshi's amendment thrown out.
29th Sept., 1929 and 20th Jan., 1930	Sir George Rainy.	1. Fixing of minimum wages in certain trades.	Not ratified.

Date.	By whom piloted	Short title of Instrument.	Action taken.
14th July, 1930.	Sir George Rainy.	1. Marking of weight on heavy packages transported by vessels.	Ratified.
1st April, 1931.	A. J. Shilliday.	1. Hours of work in hotels, theatres, establishments for treatment and care of the sick, etc.	Action postponed.
3rd Oct., 1931.	Sir James Crerar.	1. Forced Labour.	Not accepted. But on 5th October, 1931, Upper House resolved that convention be given effect to, with the exception of Art. 2, which was sought to be modified.
29th March 1932.	Sir George Rainy.	1. Protection of workers against accidents in loading and unloading ships.	Ratified.
20th Sept., 1932.	Sir Frank Noyce.	1. Minimum age of admission of children to non-industrial employment.	Not ratified.
23rd Nov., 1933.	Do.	1. Invalidity, old age, and widows' and orphans' insurance.	Do.
		2. Concerning F e e-charging employment agencies.	Do. Sir Frank regretted that

Date.	By whom piloted	Short Title of Instrument	Action taken.
			Mr. (now Sir) Girja Shankar Bajpai, officer-in-charge, was not present to explain whether this convention has any bearing on *Kangani* & *Arkati* types of recruitment of Indian labour to Ceylon and Malaya, and Assam respectively.
13th Feb., 1935.	Sir Frank Noyce.	1. Hours of work in automatic sheet-glass works.	Action postponed.
		2. Benefits or allowances to involuntarily unemployed, and recommendation concerning unemployment insurance and various other forms of relief to unemployed.	Not ratified, after exciting division already referred to above.
23rd Sept., 1935.	Mr. D. G Mitchell.	1. Revised Convention governing employment of women during night.	Ratified.
6th March, 1936.	Sir Frank Noyce.	1. Reduction of hours of work to 40 per week.	Not ratified.

TABLE II

(Ratifications According To I.L.O. Records)

Serial No.	Convention.	Date of Registration of Ratification.	Regulations implementing the Convention.	Remarks
1.	No. 1.—Limiting hours of work in industrial undertakings to eight in the day and forty-eight in the week: Contains a special provision for India, according to which in British India the principle of sixty-hour week is to be adopted for all workers in the industries covered by the factory acts administered by the Government of India in Mines, and in such branches of railway work as are specified for this purpose by a competent authority (in India).	14-7-1921	1. Indian Factories Act, 1934, as subsequently amended. Section 34. 2. Indian Mines Act, 1923, as subsequently amended. Amending Act of 1935. 54 hours weekly, 10 hours daily above ground and 9 hours daily below ground. 3. Indian Railways (Amendment) Act, 1930. 4. The Railways' Servants' Hours of Employment Rules, 1931.	For India the Convention prescribes a sixty-hour week for factories but the present legislation is for a 54-hour week. (Section 34 of Factories Act, 1934.)
2.	No. 4.—On employment of women during night: Prohibits employment of women without distinction of age during night in any public or private industrial undertaking, or in any branch thereof, other than an undertaking in which only members of the same family are	14-7-1921	Factories Act No. XXV, 1934, amended by Act XL of 1935. Section 45 of Act No. XXV of 1934.	Revised in 1934 by Convention No. 41.

Serial No.	Convention.	Date of Registration of Ratification.	Regulations implementing the Convention.	Remarks.
	employed. In India (and Siam) the application of the above principles may be suspended by Government in respect of any industrial undertaking, except factories as defined by the national law.			
3.	No. 6.- On night work of young persons employed in industry: Contains a special provision for India according to which male young persons, not over fourteen years of age are not to be employed, during night, in factories as defined in the Indian Factories Act.	14-7-1921	Factories Act, 1934, as subsequently amended. (Section 54).	
4.	No. 11.- On rights of association and combination of agricultural workers: Requires that persons engaged in agriculture should have the same rights of association and combination as industrial workers.	11-5-1923	Indian Trade Unions Act, 1926.	

Serial No.	Convention.	Date of Registration of Ratification.	Regulations implementing the Convention.	Remarks.
5.	No. 14.—On weekly rest in industrial undertakings Provides for a period of rest comprising at least twenty-four consecutive hours in every period of seven days. In India the Convention is applicable to all workers in industries covered by the factory Acts administered by the Government of India, in mines, and in such branches of railway work as are specified for this purpose by the competent authority.	11-5-1923	Same as for Convention No. 1 (Serial No. 1 above). Factories Act, 1934, Section 35. Indian Mines Act, 1923.	
6.	No. 15.—On the minimum age for admission of young persons to employment as trimmers or stokers, 1921: Prohibits employment of young persons under the age of eighteen on vessels as trimmers or stokers. An exception is made in the case of young persons of not less than sixteen years of	20-11-1922	Indian Merchant Shipping (Amendment) Act, 1931. See Notification of the Government of India in the Department of Commerce, No. 80. MII|31, dated December 5, 1931.	

Serial No.	Convention.	Date of Registration of Ratification.	Regulations implementing the Convention.	Remarks.
	age, who, if found physically fit after medical examination, may be employed as trimmers or stokers on vessels exclusively engaged in the coastal trade of India and of Japan, subject to regulations made after consultation with the most representative organisations of employers and workers in those countries.			
7.	No. 16.—On compulsory medical examination of children and young persons employed at sea: Employment of any child or young person under eighteen years of age on any vessel other than vessels upon which only members of the same family are employed, is made conditional on the production of a medical certificate attesting fitness for such work signed* by a doctor who shall be approved by a	20-11-1922	Indian Merchant Shipping (Amendment) Act, 1931. Notification No. 80-M of the Department of Commerce of August 8, 1931.	

Serial No.	Convention	Date of Regitration of Ratification.	Regulations implementing the Convention.	Remarks.
	competent authority. Continued employment at sea of any such child or young person is subject to the repetition of such medical examination at intervals of not more than one year, and the production after each such examination of a further medical certificate attesting fitness for such work.			
8.	No. 18—On workmen's compensation for occupational diseases: Provides that compensation shall be payable to workmen incapacitated by occupational diseases, or in case of death from such diseases, to their dependents in accordance with the general principles of the national legislation relating to compensation for industrial accidents.	30-9-1927	Workmen's Compensation Act, 1923, as subsequently amended.	
9.	No. 19—On equality of treatment for national and foreign workers as regards work-	30-9-1927	1. Workmen's Compensation Act 1923 as subsequently amended.	

Serial No.	Convention	Date of registration of Ratification	Regulations implementing the Convention.	Remarks.
	men's compensation for accidents: Requires each country ratifying the Convention, to grant to the nationals of any other country (which shall have ratified the Convention), or to their dependents, the same treatment in respect of workmen's compensation as it grants to its own nationals.		2. Workmen's Compensation (Transfer of Funds) Regulations of 1935. 3. Notifications No. L-1821 of January 28 and 29, 1937 extending the list of occupational diseases in respect of which compensation is payable. 4. Notification No. L-3002 of March 27, 1937 extending the scope of the Workmen's Compensation Act to persons employed in the handling or transport of goods in warehouses.	
10.	No. 21.—On simplification of the inspection of emigrants on board ship: Provides that the official inspection carried out on board an emigrant vessel for the protection of emigrants shall be undertaken by not more than one Government. The official inspector of emigrants, as a general rule, shall be appointed by	14-1-1928	Indian Emigration Act of 1922, as amended by Acts No. XXVII of 1927, No. XVI of 1932 and No. XXI of 1938. These Acts empower the Governor-General-in-Council to make rules for the appointment of inspectors for the application of the Convention, should circumstances require such action. No such circumstances	

Serial No.	Convention	Date of registration of Ratification	Regulations implementing the Convention.	Remarks
	the Government of the country whose flag the vessel flies and his duties will be to ensure the observance of the rights which emigrants possess under the laws of the country whose flag the vessel flies, or such other law as is applicable, or under international agreements or under terms of contracts of transportation.		have however arisen so far.	
11.	No. 22.—On Seamen's articles of agreement: This Convention is with certain exceptions applicable to all sea-going vessels registered in any country ratifying the Convention and to the owners, masters and seamen of such vessels. The articles of agreement are required to be signed both by the ship-owner or his representative and by the seaman. The Convention provides that reasonable facili-	31-10-1932	Indian Merchant Shipping Act, 1923, Indian Merchant Shipping (Amendment) Act, 1931. General Clauses Act, 1897. Indian Contract Act, 1872.	

Serial No.	Convention	Date of registration of Ratification	Regulations implementing the Convention.	Remarks
	ties to examine the articles of agreement before they are signed shall be given to the seaman and also to his adviser and that the seaman shall sign the agreement under conditions which shall be prescribed by national law to ensure adequate supervision by a competent public authority. Other clauses of the Convention relate to the terms of the articles of agreement, the termination of agreement and to the discharge of seamen.			
12.	No. 27.—On marking of weight on heavy packages transported by vessels: Requires that the gross weight of any package or object of one thousand kilograms (one metric ton) or more gross weight consigned within a country ratifying the Convention for transport by sea	7-9-1931	Various measures taken by the competent authorities for the ports of Bombay, Karachi, Tuticorin, Madras, Calcutta and Cochin.	

Serial No.	Convention	Date of re-gistration of Ratification	Regulations implementing the Convention.	Remarks.
	or inland waterway shall be plainly and durably marked upon it on the outside before it is loaded on a ship or vessel.			
13.	No. 41.—On employment of women during the night (revised): Contains a new provision excluding women holding responsible positions of management who are not ordinarily engaged in normal work from the operation of the original Convention of 1919 (No. 4 above).	22-11-1935	Factories Act No. XXV of 1934 amended by Act No. XI of 1935, and Act No. VIII of 1936.	Please see Convention No. 4.
14.	No. 45.—On employment of women in underground work in mines of all kinds: Prohibits subject to certain exceptions the employment of females on underground work in any mine.	25-3-1938	Notification by the Department of Industries and Labour, No. M-1055, dated February 1, 1937, prohibiting the employment of women underground in mines.	Temporarily suspended by Government order in 1943.

CENTRAL AND PROVINCIAL JURISDICTION IN LABOUR MATTERS

In a country like India, where provincial and central jurisdiction in labour matters complicate the administrative procedure, it is bound to happen that certain discrepancies and *lacunae* remain in the picture. In order to appreciate the extent to which the Central Government have specifically commended to the attention of Provincial Governments to look into the International Labour Conventions and Recommendations, notice must be taken of the following: Labour Inspection (Health services) of 1919; White Phosphorus of 1906 and 1917; Unemployment (agriculture), Vocational Education (agriculture) and Weekly Rest Day (Commerce) of 1921; Labour inspection of 1923; Utilization of spare-time of workers of 1924; Minimum wage fixing machinery (as also recommended by the Royal Commission on Labour in India) of 1928; and Forced Labour Convention of 1930. This was the record of the Government of India prior to the Constitution Act of 1935, when Indian Provinces were treated as constituting a legal unitary State in which the authority of the Centre was all-pervading and mandatory.

The Constitution Act of 1935, Seventh Schedule, has attempted to demarcate the respective legislative powers of the Centre and Provincial Legislatures into three lists, the Federal Legislative List, the Provincial Legislative List, and the Concurrent Legislative List. As far as labour matters are concerned, the Concurrent Legislative List includes Boilers (item 21); Factories (item 26); welfare of labour, conditions of labour, provident funds, employers' liability and workmen's compensation, health insurance, including invalid pensions and old age pensions (item 27); unemployment insurance (item 28); and trade unions industrial and labour disputes (item 29). The concurrent jurisdiction as between the Central Government on the one side and the eleven Provinces on the other over labour matters, as indicated in the above list of subjects, is bound to create a certain amount of complication to the uniform progress of the country in the sphere of industrial and social activity. The degree of suasion which the Central Government can take recourse to is almost limited by the willingness of all the eleven Provincial Governments to act together and at the same time in respect of industrial and labour matters. With the result, that most times Central Legislation is held up, *e.g.*, even war-time projects regularizing the procedure recognizing the Trade Unions, etc., or might go on the Statute Book without the Provinces automatically falling in a line. But Central legislation in respect of items mentioned in the Concurrent List relating to industrial and labour matters can and does go on the Statute Book, as has been the case in recent years, even in spite of the sometimes understandable disagreement or lack of enthusiasm on the part of a few of the Provincial Governments. On the contrary, Provincial Governments might initiate legislation, *e.g.*, the Bombay settle-

ment of industrial disputes legislation, particularly with reference to the textile trade, far ahead of either the concepts of the Centre or of the other Provinces. It is difficult to obtain a cross-section of this complicated piece of poise and counter-poise between the Centre and the Provinces in respect of industrial and social legislation, particularly in recent years, but it is obvious that no Federal Constitution is conceivable without leaving the initiative both to the Centre on the one hand and all the Federating Units on the other, while giving to the Centre powers which can and ought to pervade Provincial and States' activity. The pattern of industrial and social legislation, which is the resultant effect of this type of constitutional checks and balances, is bound to be irregular and patchy, with chinks gaping out of the super-structure for the whole country. But as I have said, this is a necessary evil.

There is yet another aspect of the interaction of international labour legislation upon the purely constitutional position between India and the United Kingdom, often times leading to comprehensive revision of the existing Statutes. The Convention to prevent anthrax infection passed by the International Labour Conference of 1919 was implemented by Section 38-A of the Indian Act of 1934, which amended Section 33 (iv) of the Factories Act of 1911 and gave the Governor-General-in-Council power to ensure protection of workers engaged in the wool industry. The lead poisoning Convention of 1919 was similarly given effect to by means of an amendment in 1934 to Section 19-B of the 1911 Factories Act. In 1925 the Convention on Workmen's Compensation (minimum scale) was given effect to by means of a revision in that year of the Workmen's Compensation Act of 1923. In 1926 a Convention on migration (protection of females on board ship) was implemented by the amending Act XXVII of 1927, which overhauled the Emigration Act of 1922 in certain material respects. A new Act was placed on the Indian Statute Book when the Indian Dock Labourers Act of 1933 was passed by the Central Legislature to implement the obligations undertaken under the Convention of 1929 as regards the reciprocity and consolidation of organizations, and also of the Convention of 1932 regarding reciprocity of treatment of dockers, national and non-national. No legislation has, however, been yet completed or under contemplation regarding Convention of 1929 concerning prevention of industrial accidents and the Convention of 1934 concerning provision for unemployment insurance.

From the above it is clear that despite the difficulties inherent in any attempt to enforce international standards for the welfare of workers in India, a fairly successful attempt was made and is being made by the people and the Government of India towards bringing up the country in the traditions of the International Labour Organization. I again repeat a remark which I made earlier to the effect that it would take a long time for the Government of India to prove their title deeds as to their existence in our

country on the basis of the goodwill of the masses, but I have indicated enough to justify the proposition that India's association with the International Labour Organization has been of substantial benefit to our workers. Today the International Labour Organization has become an effete body, thanks largely to the prevailing conditions of international war in all the continents of the world, and the recent Philadelphia session of the International Labour Conference is only one single effort to resuscitate and maintain the position of the International Labour Organization on a firm basis in a new world order yet to come.

There are autarchic tendencies visible in this country, which go to suggest that the biggest possible bid ever conceived will be made for propping up the structure of a super-capitalist State in our midst. The predominant national opinion naturally supports an idea of this character, but for the extremely limited purpose for securing to the people a type of industrial organization and a measure of productive activity which are capable, *e.g.* under the Bombay Plan, of improving our *per capita* income and making our economic and industrial position in the world an impregnable one. There is, however, the greatest possible danger to the fortunes of the working men and women in this country in any such super-capitalist State becoming almost unleashed. Projecting my mind into the future on the basis of the indices available at the moment, I cannot yet say whether the actual shape of things to come in this country will be something like the corporative type of industrial and national activity which was in evidence in some of the European countries, at any rate, before the outbreak of the present international hostilities. Personally speaking, I have no terrors about the bogey of fascism invading the sacred precincts of my Mother Country through any super-capitalist form of economic structure, social organization or political governance. But I must say with all the emphasis at my command, that the present forms of capitalist revival in this country, in the midst of almost a universal desire for levelling down the battlements of capitalism, must be watched and watched closely by the millions of our workers. I am not quite sure whether the Gandhian concept of the capitalists being trustees of the welfare of the community in this country will long survive the onslaughts made on it by the radical elements (not to be confused with the Radical Democratic Party of Comrade Roy) among the thinking sections of the people. Mr. Minoo Masani, one of the founders of the Socialist Party in this country, has, on a comprehensive re-examination of Socialism, come recently to the conclusion that the Gandhian way is perhaps the only way for us. The force of logic in deductions from contemporaneous events in this country and the world over during the past ten years, particularly with reference to the failure of the Communist experiments in the U.S.S.R., might justify any dialectical alterations in our ideas of the type mentioned above. But mere dialectic is not sufficient to rule the life of a nation, and that too of a nation which is still politically subordinate to the United Kingdom and which is still

to emerge from her traditional forms of almost a primitive type of economic endeavour, and a type of social organization which is still ruled by the blood-tie and which believes in pre-ordination of life and living according to the dictates of unseen forces over which the individual has no control. I foresee the distinct possibility of an almost terrific clash between Capital and Labour in this country in the years to come, in which the working people would not continue to take inspiration either from Moscow (it must be remembered that the Communist International has been repudiated by the Soviet *regime*) or the Transport House in London (Indian labour was so badly let down during the past twenty years by the Socialist Party in England, thanks largely to the un-socialistic activities of the second Labour Government under the late Ramsay MacDonald).

Indian labour would not grudge giving assistance to Indian capital in order that the grip of foreign capital upon this country is removed, as has been evidenced by the unqualified support of the Indian Trade Union Congress to the Indian National Congress in all the recent political struggles. Indian labour would not, however, give this support, if only it is to be denied an opportunity in participating in the grand work of national reconstruction which awaits the country in the future, in which social justice is to broaden from precedent to precedent and in which the will of the toiling masses is to have an emphasis no less important than that of the purely productive organs of the State. A detailed examination is thus necessary of the recent tendencies in the organization and ideology of the Indian Workers' Movement, largely under the inspiration of the I.L.O. and is attempted below.

PHILADELPHIA CHARTER

In May, 1944, Sir Samuel Runganadhan, India's principal delegate to the Twenty-sixth Session of the International Labour Conference held at Philadelphia, declared " with the authority of the Government of India," that he welcomed "the proposal to reaffirm in the form of a solemn declaration the fundamental principles on which the International Labour Organization is based." This Declaration, otherwise known as the Philadelphia Charter, which in the language of the Preamble is described as the " Declaration of the aims and purposes of the International Labour Organization and of the principles which should inspire the policy of its Members," runs as follows:

ARTICLE I: The Conference reaffirms the fundamental principles on which the Organization is based and, in particular, that: (a) labour is not a commodity; (b) freedom of expression and of association are essential to sustained progress; (c) poverty anywhere constitutes a danger to prosperity everywhere; (d) the war against want requires to be carried on with unrelenting vigour within each nation, and by continuous and concerted international effort in which the representatives of workers and em-

ployers, enjoying equal status with those of Governments, join with them in free discussion and democratic decision with a view to the promotion of the common welfare.

ARTICLE II: Believing that experience has fully demonstrated the truth of the statement in the Preamble to the Constitution of the International Labour Organization that lasting peace can be established only if it is based on social justice, the Conference affirms that: (a) all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity; (b) the attainment of the conditions in which this shall be possible must constitute the central aim of national and international policy; (c) all national and international policies and measures, in particular those of an economic and financial character, should be judged in this light and accepted only in so far as they may be held to promote and not to hinder the achievement of this fundamental objective; (d) it is a responsibility of the International Labour Conference to examine and consider all international economic and financial policies and measures in the light of this fundamental objective; (e) in discharging the tasks entrusted to it, the International Labour Organization, having considered all relevant economic and financial factors, may include in its decisions and recommendations any provisions which it considers appropriate.

ARTICLE III: The Conference recognizes the solemn obligation of the International Labour Organization to further among the nations of the world programmes which will achieve; (a) full employment and the raising of standards of living; (b) the employment of workers in the occupations in which they can have the satisfaction of giving the fullest measure of their skill and attainments and make their greatest contribution to the common well-being; (c) the provision, as a means to the attainment of this end and under adequate guarantees for all concerned, of facilities for training and the transfer of labour, including migration, for employment and settlement; (d) policies in regard to wages and earnings, hours and other conditions of work calculated to ensure a just share of the fruits of progress to all, and a minimum living wage to all employed and in need of such protection; (e) the effective recognition of the right of collective bargaining, the cooperation of management and labour in the continuous improvement of productive efficiency, and the collaboration of workers and employers in the preparation and application of social and economic measures; (f) the extension of social security measures to provide a basic income to all in need of such protection and comprehensive medical care; (g) adequate protection for the life and health of workers in all occupations; (h) provision for child welfare and maternity protection; (i) the provision of adequate nutrition, housing and facilities for recreation and culture; and (j) the assurance of equality of educational and vocational opportunity.

ARTICLE IV: Confident that the fuller and broader utilization of the world's productive resources necessary for the achievement of the objectives set forth in this Declaration can be secured by effective international and national action, including measures to expand production and consumption, to avoid severe economic fluctuations, to promote the economic and social advancement of the less developed regions of the world, to assure greater stability in world prices of primary products, and to promote a high and steady volume of international trade, the Conference pledges the full co-operation of the International Labour Organization with such international bodies as may be entrusted with a share of the responsibility for this great task and for the promotion of the health, education and well-being of all peoples.

ARTICLE V: The Conference affirms that the principles set forth in this Declaration are fully applicable to all peoples everywhere and that, while the manner of their application must be determined with due regard to the stage of social and economic development reached by each people, their progressive application to peoples who are still dependent, as well as to those who have already achieved self-government, is a matter of concern to the whole civilized world.

The Philadelphia Charter has been universally acclaimed as the brightest ray of hope for the emergence of a new world order from out of the horrid realities of the present international hostilities, and it is indeed gratifying to note that the representatives of the Government of India and of the employers and the workers have welcomed it in unstinted terms of loyalty and praise. The Canadian Premier has recently told his Parliament that the League of Nations, as known to us in the inter-war period, might not be there after Peace, but it is a foregone conclusion that the International Labour Organization would continue to exist in the coming years, whatever might be the political and military complexities of the world. If any evidence is needed to demonstrate this point, it is only necessary to remember the fact that the Philadelphia session of the International Labour Conference was almost a "normal session," in that even distant countries have participated in it, as was brought into bold relief by Mr. Edward J. Phelan, the acting Director of the International Labour Office, in his reply to the general debate on his Report to the Conference.

The Indian contribution to the discussions at Philadelphia has been considerable, despite the fact that incomplete delegations in respect of Government, employers' and workers' groups have been sent out owing to the wartime difficulties which are usually picked up by the Government of India as circumstances extenuating their conduct in relation to questions of high policy. One of the Government delegates emphasized the point that India is the third biggest contributor to the funds of the International Labour Office these days. The Indian employers' spokesman added

a new freedom to President Roosevelt's Four Freedoms, *viz.*, Freedom from Exploitation, as one of the objectives for which the International Labour Organization should pledge its support. One Indian workers' delegate formally moved a resolution asking for the convocation at the earliest possible moment of an Asiatic regional labour conference, which I had advocated from Geneva as early as 1931 and which was accepted as one of the objectives of the International Labour Organization as a result of the deliberations at Philadelphia, in addition to the convocation, as suggested by the acting Director of the International Labour Office, of regional conferences for Europe, the Near East and the American Continent. Official delegates from this country have claimed with considerable alacrity that India's membership of the International Labour Organization has been sustained during the past twenty-five years with zeal and faith, though the workers' delegates demurred to this statement in an emphatic manner. One of the Indian labour delegates opposed the British official amendment to the motion on the report of the Committee on Social Security, and urged that social security plans must forthwith be proceeded with, in respect of income maintenance, medical care, etc. The record of the Indian delegation to the Philadelphia Conference would have been impressive, if the official delegation had been chosen from the Legislature, and if full and truly national delegations (particularly in respect of the workers' representatives who were chosen from the recently formed reactionary Indian Federation of Labour of Comrade Roy) were sent out. Still, two or three observations made at Philadelphia by this polyglot Delegation from India must be preserved here as indicating the trends of thought in this country during the fifth year of war.

Discussing the present-day labour policy of the Government of India in relation to social policy in general, Mr. H. C. Prior, one of the delegates of the Government of India, said that he had to propose amendments to motions in several committees of the Philadelphia Conference, "because, social practice, which I know to be desirable in all countries, was in my view at present far beyond our capacity in India." Proceeding, Mr. Prior said: "I am afraid that this may lead in some minds to the impression that we feel we have got far enough in regard to labour matters, social security and full employment, and that we have reached the stage beyond which further progress is not needed. If that impression is in anyone's mind, I want to contradict it. We intend to go forward. We recognize it is an obligation to reach the standards set by this organization, but it makes it easier for us to progress if those standards are framed with regard to practicability in our conditions, and it is that view which I have attempted to put forward." This is a statement which confirms what I have written in more than one place in the preceding sections of this chapter, concerning the leeway still to be made before social justice can be said to have been firmly established in our midst.

Mr. Jamnadas Mehta, one of the workers' delegates, besides championing the cause of the people of Indian States, who he claimed are disenfranchised so far as the International Labour Organization is concerned, made a frontal attack on the labour policy of the Government of India. He declared: "In a recent publication by the Government of India, it is admitted that only five per cent. of the people of India have good protected water, even to drink. Ninety-five per cent. of the people of my country drink foul, contaminated water. Two hundred of every thousand infants born die in the first years of existence, as against forty in Australia or New Zealand. The expectation of life in my country is 26 years, as against 70 in New Zealand. The death rate is nearly 30 against 9 in Australia. These are the social conditions of my country, in spite of twenty-five years of the association of the Government of India with this Organization. . . We have no minimum wages, no social insurance—either unemployment, or sickness, or any other. We have not known of limitation of hours, except in some factories and in the railways for the last few years. In fact, all the benefits and influence of this Organization have been virtually removed from our grasp. The Government of India is now awakening. They have established a tripartite conference. We are considering some measures, but action as such has still to come."

I have already adverted to the addition to the Four Freedoms of President Roosevelt *viz.* Freedom from Exploitation, by Mr. D. G. Mulherker, the spokesman of the Indian employers at Philadelphia. His wail was that, while every country in the world is making efforts *now* to provide full employment after war, "the British Government's war economy has discouraged every initiative from Indian industrialists to put up modern industrial plants, to manufacture all types of industrial products." On the contrary, he declared, the activities of the U.K.C.C. in our midst definitely militated against our national interests.

This is the position of India in the International Labour Organization in the fifth year of war, as indicated by Indian spokesmen at the Philadelphia Conference. As if to forestall statements like this, the Labour Member of the Government of India, Dr. B. R. Ambedkar, during the discussion on a cut motion in the Central Assembly, a few weeks before the Philadelphia Conference opened, declared*: "Mr. [N. M.] Joshi started by making a general statement that the conditions of labour in India were extremely unsatisfactory as compared with conditions obtainable in the rest of the world. Sir, it is not my business to say from here that I dispute that proposition. Undoubtedly it is a fact." It is, thus, clear that the problems of the workingman's welfare in this country now and in the future are extremely intricate and deserve the most efficient and correct leadership, and from this angle an examination of the interaction of the work of the International Labour Organization and the Indian workers' movement is appropriate at this place.

* March 16, 1944.

INTERNATIONAL LABOUR ORGANIZATION AND INDIAN WORKERS' MOVEMENT

Before 1918 hardly any trade unions existed in India, for the then existing law of the land, which was represented by a very primitive type of the Factories Act, did not as such make any provision for regulating the rights of combination and association of workers, particularly in industrial establishments. As a corollary to this great deficiency before the Peace Treaty, organized trade union activity in the land was also conspicuous by its absence. One recalls occasional demonstrations of workers' solidarity, *e.g.* the Buckingham and Carnatic Mill strike in Madras during the last Great War under the able leadership of the late P. N. Wadia and others, but for all practical purposes the canalization of the consciousness of the workers as constituting a class by themselves was still to come. And it did come in the wake of the creation of the International Labour Organization, based upon the principles of international class consciousness and rights as incorporated in Part XIII of the Treaty of Versailles.

During the last quarter of a century the fortunes of Indian labour have undergone mercurial changes. Till 1928, it was the heyday of the activities of the Indian Trade Union Federation run by such well-known and well-understood moderates like Mr. N. M. Joshi (who today, however, has become more radical than would have been considered possible twenty years ago and has actually become the General Secretary of the All-India Trade Union Congress). Till 1928, Indian labour was organized and led by moderate *petite bourgeoisie* politicians, the vast majority of whom were drawn from organizations like the Servants of India Society and the Indian Liberal Federation. The technique of approach to trade union organizations adopted by these early pioneers was more or less one of negotiation through purely constitutional channels, with the result that such of the betterment in the lot of the workers which was secured during this period was secured only through the grudging goodwill of the employers. Actually there were no "sanctions" behind the activities of trade union leaders and trade unions in this country prior to 1928 proper, for such of the leadership as existed at this period was afraid of forging such sanctions as the right to strike for securing the legitimate rights of the working people. There was hardly any ideology behind this type of leadership given by the Indian Trade Union Federation generally to the Indian workers' movement, apart from jejune ideas of the need for improving their lot.

In 1928, at the famous session of the Indian Trade Union Federation at Nagpur, the more radical elements under the leadership of Sjt. Subhas Chandra Bose broke away from the moderate parent organization and started the more radical Indian Trade Union Congress, with a definite Leftist ideology and with well-known leanings towards the Communist International. During the subsequent decade and a half the Trade Union Con-

gress more or less generally aligned itself with the Indian National Congress, both as regards the general national programme of action to be pursued in this country for winning political freedom, and also in regard to the laying down of the foundation work for a positive policy of progressive approach to the building up of a workers' movement capable of depending upon its own innate strength for securing the legitimate rights with definite sanctions behind it, *e.g.*, the right to strike, with closely delimited association with national and international movements, *e.g.*, the Indian National Congress and the Workers' Movement in the world at large particularly as directed from Moscow, and making a definite bid to becoming one of the foremost radical movements in the country.

I need not here record the rivalry between the parent Indian Trade Union Federation and the more junior but radical Indian Trade Union Congress which subsisted for a decade and a half before the parent body got merged into the Trade Union Congress at Cawnpore a couple of years after the outbreak of the present international hostilities. I was myself one of the delegates to the Unity Congress held at Madras in 1932, which revealed, at any rate at that time, fundamental differences in viewpoints between the moderate and the radical elements in the leadership of the workers' movement in this country, which even after the merging of the Federation into the Congress, still persist today. To my mind--and I plead guilty to the charge myself--the real reason for this drift in ideological approach is due to the fact that trade union leadership was concentrated in the hands of "rank outsiders." That is to say, leadership was not born from within the ranks of the workers themselves. I have come across a solitary instance of an Indian *sarang* becoming a delegate-substitute in the Indian Delegations to the International Labour Conference before the present war, but "one swallow does not make the summer," and an occasional labour leader drawn from the working classes themselves does not justify equanimity about the control and direction of the workers' movement in this country even today.

From the historical point of view, and in the peculiar circumstances governing social relationship and organization in this country, *petite bourgeoisie* leadership is perhaps a very necessary stage in the evolution of a truly democratic, broad-based and competent workers' movement for the teeming millions of this land, but I will be dishonest to myself and to the workers themselves if I do not emphasize with all the strength at my command that until the leadership of the middle-class intellectuals is completely removed from the control of trade union activity, the workers of this country will never come into their own. To illustrate this point, I might mention that a member of the editorial staff of a Calcutta paper has been and is still ruling the fortunes of certain important trade unions in Bengal; the correspondent of a provincial paper residing in Delhi functioned

as the Secretary of the Indian Trade Union Federation, now merged into the Indian Trade Union Congress; a Rai Bahadur, who looks more to Government for patronage than to the workers for gratitude, held the reins of labour leadership in Central India for a couple of decades; and now Comrade M. N. Roy, obtaining a grant of Rs. 13,000 a month, from the Government of India, that is to say, from the general tax-payer, is today striding across the length and breadth of the country as the *real* leader of the Indian workers' movement, by virtue of his being General Secretary of the so-called Indian Federation of Labour, which is linked up with the Radical Democratic Party of which he himself is the founder.

In any proper appreciation of the Indian workers' movement, Comrade M. N. Roy's Indian Federation of Labour must necessarily occupy a very important place. Time was when Comrade Roy's name was something to be conjured with, on account of his then very genuine ideas concerning the welfare of labourers wherever they existed, whether in Moscow, India, or China. I did have a genuine regard to Comrade Roy's brilliant leadership to the generations of the inter-war period in this country, but those were the days of his martyrdom as a true exponent of the Communist International (which, as was seen earlier, has been abolished by Marshal Stalin as a sop to Anglo-American capitalist type of Imperialism which wants to win the present war and rule the world again in an untrammelled manner). The debacle caused in Indian Labour ranks by the Meerut Conspiracy Trial, the going underground of the Communist Party of India (including Comrade Roy himself at that time) under governmental pressure, the organization of the Royist Group and the reorganization of the Communist Party now legalized as a sop to the Soviets—these are some of the recent milestones in the history of the workers' movement in this country. In all truth, I shudder to think of the future of the workers' movement if the existing schisms are to continue, and if the organizational leadership is to remain vested in the hands of "armchair" politicians, middle-class intellectuals, political place-hunters and Government stooges.

Comrade Roy might claim adherence of people who have fallen from grace like Mr. Jamnadas Mehta, and to gain Government patronage might send out his representatives of the Indian Federation of Labour to the Philadelphia Labour Conference of May, 1944, and also to London, to the World Trade Union Congress, which, however, did not come off owing to circumstances which need not be investigated here. If I am not grossly mistaken, trade union leadership in India these days is more interested in hitting the headlines of the popular press both in this country and abroad, than at all genuinely concerned with the fortunes of the Indian working people. It is a tragic thing to relate that when in the fifth year of war the Government of India decided to employ women labour underground in coal mines, in

complete reversal of their well-defined and well-established labour and social policy in the true traditions of the International Labour Organization, the leadership of the Indian workers' movement did not forge any sanctions against the continuance of this uncivilized decision of the Government of India. I have also of late noticed a tendency among certain sections of the Indian working man's movement to join hands with the employer, in the same manner in which Comrade Roy and his organization have joined in an unholy partnership with a bureaucratic Government which does not receive from the people their homage and willing obedience and co-operation.

I have the greatest possible doubts if the fortunes of Indian labour, particularly in view of the projected and impending terrific clash between Capital and Labour in this country, as in other countries in the world after peace comes, will be properly looked after by this type of leadership.* For decades together patriotic Indians in this country have clamoured against the continuance of exploitation of the people by a foreign Government. The more radical sections among them cavilled at similar exploitation of the worker by the employer in this country, be he white or brown. I am afraid we are fast coming to a stage when we have to weep over the exploitation of the worker by his so-called friend, the *petite bourgeoisie* leadership.

The reorganization of the workers' movement, which has so far been completely limited to the regulation of the activities of people employed in industrial establishments in urban areas, must become broad-based in a manner in which the working man himself will rise to the top both in respect of leadership and activity. There are *kisan sabhas* doing yeoman service to the teeming millions of agricultural workers scattered over 700,000 villages sprawling across the length and breadth of the country today. But if I am not grossly mistaken, these *kisan sabhas* are more political in their approach to the problem of the Indian working man, than economic. The law of the land is still defective in its approach to the fortunes of the agricultural worker, who himself is weighed down with the incubus of centuries concentrated in the most primitive forms of land tenure. A genuine workingman's movement in India must develop side by

* Broadcasting from Delhi on June 8, 1942, in the series of talks arranged by the All-India Radio, entitled "From These Beginnings," I said: "A couple of million workers are now organised in trade union activity, but as one who had participated in the movement I must say that until the leadership of the *bourgeosie* classes gives place to that of the workers themselves, it is hardly likely that the movement will have the reality and momentum which are needed for the workers to participate fully in the working men's movement of the world, so ably fostered by the International Labour Organization. I see today the teething troubles of the working man's movement in this country. I hope to see the day when leadership emerges from among the workers themselves and thus a true union of work people, led by people from among themselves, comes into being."

side the organization of the urban industrial worker and the rural agricultural worker. For this, education seems to be the only remedy, but for education to percolate down to the door-step of the worker in India, whether it be on one of the remote fragmented holdings in a village normally isolated from civilization proper or huddled together in the insanitary *bustee* of a modern industrial city, will take possibly two generations under any scheme of planning for educational reform.

With the result, that the intellectuals still continue to have a lease of life in giving shape and direction to the emotional activity of the workingman in this country. I can mention quite a good number of ways and means by which the Government of India can regulate the organization and control of the trade union movement in this country in a manner in which the interests of the members of the unions concerned are properly secured, but such a catalogue of remedies would be futile, inasmuch as the Government of the country today is not a people's Government. Looking ahead into the future, I fear that the working man in India has still a long way to go before he can realize himself. His saga of travail is bound to be longer than the Odessey, but the tragic saga of the workingman's movement in this country must find its fulfilment in the due process of time which I trust will not take long to complete itself. Three hundred million workers in India, the vast majority of whom are unlettered, undisciplined, unorganized and steeped in poverty, must rise as one man to defend their own rights against friend and foe, if the freedom of this country (whenever it is won) is to be retained by us. The linking up of the Indian workingman's emotions and activities with those of his compeer, whether it be in China, Brazil, England, Czechoslovakia or the U.S.A., or for that matter, in Moscow, must become a live national and international proposition, and not merely clouded with ideological or organizational formulae, such as a revised Communist International, or a Federation of Workmen's Unions the world over, or for that matter the establishment of a resuscitated International Labour Organization. I do not know whether I will see this thing come to happen in my time, but I have no need or reason to end on a pessimistic note, for I have the greatest possible faith in the innate strength and ultimate triumph of the Indian worker, if not today, at least the day after tomorrow.

CHAPTER III

FOREIGN TRADE OF INDIA

Before Ottawa Conference—Setting for Ottawa—Ottawa Preferences—Indo-British Trade Agreements—Indo-Japanese Trade Relations—Indo-Burma Trade Relations—India's Post-War Trade—Atlantic Charter and Mutual Aid—Currency and Exchange in Relation to Trade—Effective Demand and Multilateralism—Multilateralism Vs. Bilateralism—Commercial Discrimination and Cripps' Offer—Tariffs and Overseas Trade.

An examination of the history of the trade policy of India, if any such thing had existed before the last Great War, yields one result, *viz.*, that India was actually treated as an appendage to the economy of Great Britain and the British Empire, supplying the raw materials needed for the British system of industrial expansion which originated in the XIX century and becoming the dumping ground for British manufactures.* India was the veritable *El Dorado* throwing up the *nabobs* of John Company with such precision and number that their return to England was always demonstrated as a token of Indian prosperity. The Manchester School of Mercantilism and Free Trade held sway over India right through the entire course of the XIX century and also up to the outbreak of the last Great War. Even after 1857, when financial considerations demanded larger revenues for the State, a very milk-and-water policy of import duties for purely revenue purposes was grudgingly conceded. Towards the end of the last century, when Indian industries, particularly the cotton textile industry, were just coming to be established on the modern factory basis, Her Majesty's Government declared that if any protective effect was there in these innocuous customs duties, as far as the production of manufactured articles by newly-started Indian industries was concerned, such effect should be destroyed by countervailing excise duties. Indeed, the cotton excise India prior to its abolition was the most significant illustration of Britain's economic hegemony over this country which aided in her policy of political domination over 400,000,000 people.

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* This chapter constitutes the text of the memorandum written at the request of the President of the Indian Institute of International Affairs, Sir Sultan Ahmed, who is also Member for Information and Broadcasting, Government of India, for submission to the British Commonwealth Relations Conference, scheduled to be held in London in the winter of 1944.
Writing in "acknowledgement of your most illuminating and erudite paper," Sir Sultan Ahmed observes: "Now that I have been able to study it, I can say that this is one of the finest contributions to contemporary economic thought which it has been my privilege to read."

The cotton excise duty was only one single symbol of Indo-British connection and an unmistakable badge of India's economic slavery, to revolt against which, as also against Britain's political domination, the Indian National Congress was started in 1885 and the *Swadeshi* movement was launched at the dawn of the present century in order to achieve results of enduring value.

This struggle, which was always defensive on the part of the people of India, went on for well nigh two decades, during the course of which the nation's economic fortunes were sought to be readjusted on the principle of self-help, particularly with a view to negativing the impact of Britain's fiscal and economic grip of the country which had conducted India's trade into unnatural and almost unhelpful channels. The declaration of August, 1917, by His Majesty's Government, pledging themselves to a progressive *regime* of responsible Government in India was not only the reflex result of long decades of insistent nationalism, particularly in the economic sphere, in this country, but also of the impact of the last Great War which, whether the United Kingdom liked it or not, led to a progressive pace of industrial activity being maintained by the people of this country. With the result that, when peace arrived, India was able to become one of the principal industrial countries in the world, at the same time preserving her unassailable position in regard to being one of the world's most plentiful sources of raw materials. The manner in which India obtained recognition in 1922 by the League of Nations as one of the eight countries of chief industrial importance in the world, for purposes of obtaining a seat on the Governing Body of the International Labour Office, is only one of the yard-sticks which can be used to demonstrate the point that, during the early twenties of the present century, she had, despite her numerous difficulties as a politically suppressed country and with an economically dependent people, succeeded in becoming self-reliant. The immediate post-war boom of the early twenties of the present century also further gave direction to the *tempo* and character of Indian industry, agricultural activity and foreign trade. By the time the Great Depression set in in 1929, the struggle for India to maintain her position in the world trade, both with the British Commonwealth group of countries and even with ex-belligerent countries, took an insistent shape. Germany, France, Italy, Japan and the U.S.A. gradually commenced peeping into India's economy in a realistic manner, obviously to remove as much as possible to their own advantage the grip on India which Britain and the Empire countries maintained in pre-war years. New channels of approach to the world markets presented themselves to India, despite the existing fiscal and commercial subordination attendant on Britain's political sway over her. These will be clear from an examination of the statistical position of India's overseas trade at the time when England went off the Gold Standard in 1931, for it, accompanied by the rupee-sterling link, demonstrates clearly the strenuous manner in which Britain sought to keep India as her preferred market, to

the detriment not only of our national economy but also of our ever-growing trade relations with the rest of the world, as distinct from the British Empire and Commonwealth group of countries.

SETTING FOR OTTAWA

The political relations between the United Kingdom and India have had a decisive influence upon trade at this period, while it was recognized that the economic and commercial boycott imposed upon British goods entering India was intended to eliminate any monopolistic tendencies then existing in British export trade to and commerce in India. The question of the interests of the Indian consumer came more and more to the forefront. Prices had advanced anything between 40 to 53 per cent. over and above the pre-war levels. The capacity of Indian productive activity was being tested to the optimum point. Nervousness was the key-note of Indo-British trade outlook.

An analysis of India's total trade on a commodity basis at this period reveals the lines along which the industrialization of India was being achieved.* Judged on the pre-war basis there was a 11 per cent. decrease (from 36 to 25) in the import into India of cotton manufactures. Iron and steel machinery remained steady (7 per cent. of the total import trade). The import of other machinery practically doubled (as much as 8 per cent. of the import trade). These indices establish the truth of the rapid development of Indian industries at that time. Sugar showed a fall of 3 per cent. and silk 2 per cent. Hardware remained stationary at 2 per cent., but mineral oils showed an increase of the same percentage. The most significant feature to be noted was the 10 per cent. increase (from 36 to 46) in the importation of articles other than those mentioned above and including obviously luxuries and conventional necessities.

On our export side, cotton and jute (raw and manufactured in both instances) had respectively progressed from 19 and 15 of the pre-war percentages to 26 and 23 in 1929 and 1930. Tea showed an increase of 2 per cent. (from 6 to 8 of the total export trade). Otherwise, there was a downward tendency in the export of goods from India: foodgrains from 21 to 11 per cent., oil-seeds from 11 to 8, hides and skins from 7 to 3 and other articles from 21 to 20 per cent. of the total export trade of the country. This analysis clearly demonstrates also the progressive manner in which India came to fall back more and more upon her raw materials and foodstuffs for domestic use and consumption—a healthy tendency demonstrating the development of internal markets. As a corollary to this, it was also clear that the "goodness" of the United Kingdom to absorb the "surplus" raw materials and foodstuffs in our national interest was also exploded sky-high as a myth in the true tradition of Imperial powers.

* See my paper on "Indo-British Trade Relations" in *Empire Review*, London, December 1930.

An examination of India's trade at this period from the view-point of the countries of origin establishes the most arresting feature to be the progressive decline of Britain's share, both in our export and import trades. British monopoly in the Indian markets was gradually disappearing since the beginning of the present century. The pre-war average of British exports, which stood at 63 per cent. of India's total import trade, had by 1929-30 dwindled to 43 per cent. In other words, the United Kingdom lost a fifth of her normal pre-war export trade with India. In tardy reparation for this, the export trade of the Dominions of the British Commonwealth with India showed a 2 per cent. increase (from 7 to 9). An upward tendency was seen in the exports of the U.S.A. (from 3 to 7 per cent.) and Germany (from 6 to 7 per cent. of India's import trade). China remained stationary but other countries, exclusive of Japan, pushed up their exports to us by 5 per cent. (from 13 to 18). As regards Japanese exports to India, they multiplied five-fold, and from being the last individual contributor of imports into India (2 per cent.) in the list of countries mentioned by name during the pre-war period, Japan came to occupy in 1930 the second place in the list (10 per cent.), after the United Kingdom with her 43 per cent.

The export trade of India also demonstrated the fact that the United Kingdom was again hard hit. During the pre-war period, the United Kingdom used to absorb exactly one-fourth of India's exports, but by 1930 this percentage had dropped three points to 22. Likewise was the case with the Dominions, which had lost two points (from 16 to 14). France and Germany again dropped 2 points (from 7 to 5) and (from 10 to 8) respectively. It is significant to note that what the United Kingdom and the Dominions had lost in this respect was also being gradually picked up by the U.S.A. and Japan (from 8 to 12, and from 8 to 10 respectively), while other countries, mostly of the tropical belt, gained what Germany and France had lost (from 26 to 29 per cent.). Thus, the geographical distribution of India's export trade became marked—a redistribution in favour of India in the world markets.

A further examination of the statistics of this period establishes two other points. The first was that the share of the British Commonwealth in 1930 was only 35 per cent. of the total sea-borne export trade of India, the remaining 65 per cent. being absorbed by foreign countries. The second was that the United Kingdom and the Commonwealth contributed only 43 per cent. of India's import trade, while 57 per cent. remained in the hands of foreign countries. In round figures the value of British export trade with India, (*i.e.*, the import trade of India) which stood at £95 million sterling in 1927-28, was reduced to £91 million sterling in 1928-29 and sank to £77 millions in 1929-30. On the export side, Indian exports to the United Kingdom in 1929-30 were £8 millions less than what they were in 1927-28 (only £51 millions in 1929-30 as compared with £59 millions in 1927-28). It must be emphasized

here that during the financial year 1929-30 India's total imports had registered a decrease in value to the extent of £11 million sterling, almost the whole of this being due to the boycott of British goods. On the export side, again, our trade suffered to the extent of £7 million sterling again due to the loss of British markets for Indian produce. This shrinkage in overseas trade was, however, made up by increased internal trade, due largely to increased production and progressive levels of purchasing power and consumption tastes of people after the last Great War.

This analysis supplies the setting for Ottawa. The Wall Street crash of 1929 brought in its train a world-wide wave of economic depression. The statesmen of Europe, notably the late M. Briand, were, at that time of high expectation and hectic activity on the part of the League of Nations, frantically planning for the creation of a European Economic Union, which only indicated the fact that almost every European country had put up her economic and tariff barriers to such an extent that international trade was almost impossible to be carried on. On the Indian side, there was perhaps the most intensive form of political agitation in evidence during these years than was ever the case before or after. Industrial unrest also contributed its quota to the sum total of the troubles between India and the United Kingdom. Parleying in London became futile because India's predominant political organization, *viz.*, the Congress, stood out in so far as the First Round Table Conference was concerned in 1930. In the following year, Mahatma Gandhi attended the Second Round Table Conference, but all prospects of Indo-British political settlement were pre-destined to fail. The gulf between India and England both in the political and economic spheres widened to such an extent that it was almost unbridgeable, as subsequent events have so thoroughly demonstrated. And what constitutional negotiations failed to secure, the United Kingdom sought to impose upon India by sheer force of her superior economic power and through the medium of her political domination over this country.

One important point must be established here. The impression had been sedulously created abroad that India boycotted British goods in order to help countries like Japan, but the facts are exactly the contrary, in any case so far as the textile trade, which is of vital significance both to Lancashire and Japan, is concerned. When a nation becomes sore about her economic interests being subservient to those of another controlling nation, the result is obvious. During the two years 1929 and 1930 the position of imports of cotton piecegoods had altered remarkably. The intensive boycott of piecegoods particularly of British origin in 1929-30 had made even nationalist India stagger at the results achieved. Political capital was made out of this particularly in the United Kingdom. But the following table reveals an altogether startling position.

Import Of Cotton Piecegoods In 1929 And 1930 Showing Effects Of 1930 Boycott

January to November	1929	1930
Total: Grey Goods	845	536
From United Kingdom	489	288
From Japan	339	245
From Other Countries	17	3
Total: White Goods	451	336
From United Kingdom	422	294
From Other Countries	29	42
Total: Coloured Goods	445	320
From United Kingdom	269	193
From Japan	129	96
From Other Countries	46	31

As a matter of fact, both Great Britain and Japan had suffered equally heavily during this period of our most intensified economic nationalism. Though political in origin, inasmuch as the political leaders of the country were responsible to start it at a crucial period of Indo-British relationships, the boycott in 1929-30 had made it possible for India to progressively clothe herself. If this admittedly intensive campaign of boycott had not fully succeeded in doing so, it only shows how foreign manufacturing agencies have dug themselves into the Indian soil. After all, acquired tastes and habits die hard in favour of the coarser stuff and uncouth homespuns!

The theory that the boycott alone was responsible for the reduction of British textile exports to India also falls to the ground on an examination of cotton yarn imports into India. Considerable quantities of cotton yarn, particularly of the lower counts, were needed to feed the Indian mills and the Indian handloom industry, at that period as well as today. If British exports of yarn to India had been reduced by half during 1922 and 1930, Japan could only send out a quarter of her former export, during the same period, as will be seen from the following table:—

Import Of Yarn, Counts 31 to 40, Into India
(Thousands of Pounds)

	1922-23	1923-24	1924-25	1925-26	1926-27	1927-28	1929-30	1928-29
United Kingdom	10,747	3,085	2,185	1,594	6,011	7,171	6,120	5,957
Japan	10,241	9,838	19,193	20,053	16,124	7,714	2,217	2,852
China	..	..	..	..	916	10,883	10,550	9,724

That China had obtained top position in Indian yarn imports, and that too long before the Indian boycott, is a clear indication of

what even a backward country like her can achieve under the guidance of a sympathetic national government. In any case, India had reduced her yarn imports to the tune of two million pounds a year, and we produced our own yarn in greater quantities than ever before. This is the story of the fortunes of rising industries in this country in recent years. Writing in 1935 I said: "Mr. Winston Churchill need not waste his time over abusing Mahatma Gandhi, that his henchmen are responsible for the spoliation of Lancashire."*

The most outstanding development of this period was the phenomenal increase in the production of mill-made cotton piecegoods in India. From 740 million yards in 1908, they rose to 2,280 million yards in 1930, whereas their imports into India which stood at 1940 million yards in 1908 almost remained stationary at 1900 million yards in 1930. While we produced only 9.1 yards per head of population of cotton piecegoods in 1908, we were able to produce 13.10 yards per head of population in 1930. Another predisposing factor of the Ottawa Agreement was the marked and growing Anglo-Japanese competition between 1913 and 1930 in certain important varieties of textile goods, such as grey and coloured goods, imported into this country. The following table shows the virtual monopoly of supply of these varieties of textile goods which the United Kingdom enjoyed in 1913 and the preceding years had become almost precarious by 1930. Contrariwise, Japan's advance from non-existence to a fairly competitive position was also remarkable.

Percentage Shares Of United Kingdom And Japan In Indian Imports Of Cotton Cloth

	GREY		WHITE		COLOURED	
Year	U.K. percent.	Japan percent.	U.K. percent.	Japan percent.	U.K. percent.	Japan percent.
1913-14	99.0	00.4	99.0	..	93.0	00.2
1919-20	87.0	12.0	97.0	00.8	90.0	05.0
1920-21	72.0	26.0	97.0	00.9	92.0	03.0
1921-22	83.0	13.0	98.0	00.6	88.0	04.0
1922-23	90.0	10.0	98.0	00.6	87.0	06.0
1923-24	85.0	14.0	97.0	00.6	87.0	07.0
1924-25	86.0	13.0	97.0	00.8	83.0	10.0
1925-26	79.0	20.0	96.0	01.0	73.0	19.0
1926-27	79.0	21.0	96.0	00.5	71.0	19.0
1927-28	74.0	25.0	95.0	01.0	70.0	20.0
1928-29	69.0	29.0	95.0	01.0	66.0	22.0
1929-30	56.2	42.5	92.0	02.9	57.6	31.9

In grey goods, Japan had nearly equalled the United Kingdom, while in coloured goods her position was that of a good second.

* See my study entitled "Post-War Tendencies in India's Overseas Trade" in *Contemporary India*, Lahore, Third Quarter 1935, pp. 335-366.

This neck-to-neck race between the United Kingdom and Japan had a profound influence upon the economic and foreign policy of India under the dictation of London.

Before an examination of the Ottawa Agreement is made, note must be taken of two significant changes in British policy towards trade, currency and exchange during the early decades of the present century. Joseph Chamberlain's failure to bring in imperial preference as the panacea for the ills of the United Kingdom and the countries belonging to the British Empire was more or less due to the attitude of the then Government of India. Writing in the *Manchester Guardian* and the London *Spectator** in advance of the first Round Table Conference and pleading for a genuine Indo-British trade convention, I unearthed an India Office Memorandum (Cd. 3524. 1907) on India's overseas trade to the Colonial Conference of 1907 and the statements made at the Conference by Sir James Mackay (the late first Lord Inchcape), and sought to reinstate the first principles of trade policy for the Government which were enunciated a quarter of a century before Ottawa. The Memorandum deduced the following principles governing India's external commerce in their relation to any scheme of Imperial preference:

1. The external commerce of India, which is of considerable magnitude, ran in natural channels and has not as yet been perceptibly deflected from them by any protective tariff of other countries.

2. The fiscal system on which this external trade was based has so far resulted in larger markets for exports and in cheap imports from abroad, for which latter there is an ever-growing demand in India.

3. As a debtor country, India requires the freest possible markets for its exports, and as a poor country she requires cheap imports.

4. The present system had secured two-thirds of India's import trade to the United Kingdom, while the United Kingdom afforded a market for only one-fourth of India's exportable produce.

5. For three-fourths of this produce markets had to be found outside the United Kingdom, and seemingly did not exist to any appreciable extent in the self-governing dominions.

6. Any diminution of India's trade with those foreign countries that are the largest buyers of her exports would at once lessen her power of buying British produce and meeting her obligations to British creditors.

* *Manchester Guardian*, October 4, 1930; and *Spectator*, London, October 11, 1930.

Proceeding, the Memorandum argued: "The claim would probably be made that if India is to fall into line with the colonies in this matter, it should be allowed to imitate their example in developing its own industries, by the imposition of protective duties such as are levied by the self-governing colonies on goods imported from the United Kingdom." During the discussions at this Colonial Conference, the late Lord Inchcape finalized the views of the Government of India and the India Office with reference to Imperial preference in the following manner: "The Government of India 'as in duty bound have looked at this question from the Indian point of view. . . It is a matter of deep regret to those who are responsible for the Government of India that they should find themselves at variance on this most important question with the statesmen of the various self-governing dominions of the Empire.' In any scheme of this kind which hinders her export trade 'there is no doubt that she has more to give than she could possibly receive.'" Finally he pleaded that "in case the self-governing dominions decided in their wisdom to grant any preference to the mother country, the same might be extended to India, but India could never support any scheme by which her ever-growing trade with foreign countries would be annihilated."

The creation, however, of an economic *bloc* for the British Empire and Commonwealth was found to be more or less imperative for the very existence of the United Kingdom particularly during the last Great War and the years immediately following it. The economic depression the world over had rendered nugatory the McKenna Duties of 1916 and the Safeguarding of Industries Act of 1920, with the result that the Import Duties Act of 1932 was brought into existence by the Baldwin Government as a token of the factual and legalistic reversal of the traditional policy of free trade which had sustained the United Kingdom for centuries together. The successive Imperial Economic Conferences in 1923, 1926 and 1930, approached this question of Imperial preferences with considerable avidity, and were responsible for the Government of India falling from the high pedestal of public duty so ably propounded by them at the Colonial Conference of 1907, and for the almost sly manner in which the Steel Industry (Protection) Act of 1927 and the Cotton Industry (Protection) Act of 1930, under which preference was granted to British goods as against foreign goods entering this country, were brought into existence.

In between the first and second Round Table Conferences in London, the United Kingdom went off the Gold Standard, dragging India in the accustomed manner as an appendage whose resources can be bandied about and bartered in the world markets for the especial benefit of the British people. Apprehending something

like this, I wrote again in the *Manchester Guardian** pleading for a just Indo-British commercial treaty, and after reviewing exhaustively the pre-Ottawa statistical approach to the question and the boycott of British goods, I said: "The future of Indo-British trade relations rests upon the judicious use of this weapon of industrial vengeance. There is no doubt that Great Britain will be hit hard The psychological basis of the present *impasse* is to be found in the past blunders on the part of Great Britain and the present recrimination by India. But two features stand out and may help to solve this vital question. India must recognize the legitimate rights of the existing commercial interests of Great Britain. To question the unjustness of the past is not a quality of statesmanship, and certainly not the test of international morality. On the other hand, Great Britain must realize that India is no longer the *El Dorado* of buccaneer times. She must note that her future trade relations with India depend on specialization in trade and grades of commodities which demand a degree of skill at present wanting in India. In this she has the natural advantage of a hundred years of acquired scientific skill and equipment. There is no ground for pessimism on either side. India can exercise her fiscal autonomy without prejudice to Great Britain. Great Britain can still trade with India on a satisfactory and honourable basis of equality of opportunity. Only the economic tangle of three centuries of Indo-British trade connection should be set aright. A commercial convention drawn up on an honourable basis would guarantee the specific rights of Great Britain in India and secure to India an equitable opportunity for the orderly progress of her own industrial development." But the pledge for honourable co-operation given at the Round Table Conference by Mahatma Gandhi was rejected, and the stage set for Ottawa and the Commercial Discrimination Clauses of the Constitution Act of 1935.

OTTAWA PREFERENCES

The functioning of the Sterling *bloc* since 1932 with the spurious advantage of a depreciated currency *vis-a-vis* the currencies of the non-Empire group brought in its train a series of developments the world over which ultimately proved the ineffectual character of unilateral depression of currencies. and as far as India was concerned the Japanese yen slumped in such an unmistakable manner that the Indo-Japanese trade, which was of substantial importance to this country, also slumped to a remarkable extent. His Majesty's Government, while justifying the Import Duties Act of 1932 at the Imperial Economic Conference of the same year, brought into being the atmosphere for Ottawa. It is not necessary here to review historically the tragic tale of Ottawa preferences as far as this country is concerned, but some

* See my contribution entitled "British Trade With India: The Need for a Commercial Convention" in *Manchester Guardian*, March 30, 1931.

significant statements made at about this period must be noticed in order to fix Ottawa into its proper perspective.

The Indian Fiscal Commission writing ten years before Ottawa laid down the following cardinal principle of India's foreign trade: "The economic advantage derived from a preference tends to be more important in the case of manufactured goods than in the case of raw materials. Manufactures nearly always meet with keen competition in foreign markets and therefore, a preference on manufactures is nearly always of advantage. The position in regard to raw materials is different. In the first place, they are usually admitted free into the foreign markets so that the possibility of a preference does not arise. In the second place, it is obvious that to a large extent they find their markets readymade, whereas the market for manufactures had to be developed and carefully nursed. With a comparatively small degree of competition to meet, it is clear that raw materials stand very much less in need of preference than do manufactures, and that the gain to them from preferences is likely to be correspondingly smaller. With regard to foodstuffs the general tendency in most countries is to admit them free and the possibilities of preferences are limited." Apparently it was the design of Ottawa to repudiate the validity of this wholesome principle laid down by the Indian Fiscal Commission with reference to India's overseas trade during the XX century, as subsequent events so clearly proved to be the case.

The expression of high-sounding sentiments preceded the conclusion of the Ottawa Agreement, signed respectively for the United Kingdom and India by the Rt. Hon'ble Stanley Baldwin (now Lord Baldwin) and Sir Atul Chatterjee, and the Supplementary Agreement regarding iron and steel signed by Sir Horace Wilson and Sir George Rainy for the respective countries. was rendered utterly nugatory as the operation of the Ottawa Agreements took its preordained and well-regulated course. Mr Baldwin observed in his speech in London as follows: "And here let me say, at once, no body of responsible and informed opinion in this country has any desire to impede or retard the industrial progress of India on sound economic lines." Proceeding the British Prime Minister, however, said: "I am informed that in respect of certain classes of goods, you have lower duties on British than on foreign products, but that this differentiation was, as a matter of historical fact, made solely in the interests of India and without any desire to confer a favour on this country or from any belief in the policy of Imperial preferences." The leader of the Indian Delegation, Sir Atul Chatterjee, responding to this naive argument of the British Premier and referring to "the avowed policy of the Indian Government to foster industrial development in the country," said: "In giving effect to this policy of discriminating protection the Indian Government and the Indian Legislature are naturally bound to consider Indian interests. But it has been their happy experience

to find that in at least two important instances the interests of India rendered it desirable that the duties imposed on British manufactures should be lower than the duties imposed on imports from elsewhere. I refer to our tariffs on steel and cotton piece-goods. You will agree, Sir, that this experience is a favourable omen for the conversations and discussions (*sic*) which you have invited us and which will be our privilege to undertake."

During his formal opening speech at Ottawa, Sir Atul Chatterjee, curiously enough, struck a different note. He said: "In every case the protective duty is only fixed after a careful examination by the Tariff Board at a level which will be adequate for this purpose, without imposing an unnecessary burden on the consumer. The Government of India and their delegation feel that a policy of this kind deliberately adopted and found by experience to work satisfactorily, should not be discarded on the eve of a great constitutional change. It is of great importance to the future of India that the scheme of protection should be handed over to the new Government in full working order and with its vital principles unimpaired." Proceeding, Sir Atul Chatterjee said: "India has to find markets outside the Empire for the great bulk of the exportable surplus of her products, although in normal years she purchases a greater proportion of her requirements from within the Empire than from without. These are facts which those responsible for India's welfare have constantly to bear in mind. The development of our foreign trade generally is one of our primary interests." And curiously enough, again, the operation of the Ottawa Agreement has shown not only the untenable character of these high-sounding and sometimes contradictory statements of British and Indian spokesmen, but also the manner in which our foreign trade, particularly on the export side, had been twisted into unnatural and restrictive channels.

The general set-up of the Ottawa Conference must be examined in some detail. The agenda included the examination of all aspects of general trade and tariff policy and administration affecting Empire trade including *inter alia* the following subjects: I (a) recognition of the principle of reciprocal tariff preferences within the Commonwealth; (b) general application of existing and future tariff preferences within the Commonwealth; (c) extension to other parts of the Commonwealth of tariff advantages accorded to foreign countries; (d) determination of percentage of "Empire Content" necessary to secure preferential tariff treatment; and (e) export bounties and anti-dumping duties within the Commonwealth; and II. Commercial treaty policy with respect to foreign countries including, *inter alia*: (a) relation of of inter-Imperial preferences to concessions to foreign countries; (b) interpretation of most-favoured-nation clause, particularly with reference to the development of regional preferences and of systems of import quotas; III. Consideration of the appropriate basis and means of effecting inter-Imperial economic co-operation, including review of existing agencies, examination of the

representation of the Imperial Economic Committee on Industrial Co-operation, and discussion of communications and of research and standardization. In addition to this examination of general trade questions, the Imperial Economic Conference at Ottawa was also charged with the consideration of existing inter-relationships of the various currencies and monetary standards of the Empire, and of the desirability and feasibility of taking steps to restore and maintain the general price-level and to stabilize exchange. Finally, the Conference was also asked to lay down first principles for the negotiation of trade agreements between one country and another, presumably not only *inter se* of the units of the British Empire and Commonwealth, but also possibly of Empire and Commonwealth countries on the one hand and foreign countries on the other. The agenda of the Ottawa Conference was, thus, most comprehensive, and even as Sir George Schuster, former Finance Member of the Government of India, and Sir Henry Strakosch. the India Office expert, who conducted the discussions at Ottawa on monetary and financial questions, have said, the agenda definitely included items of such vital bearing to India's economic prosperity as a stable and just monetary mechanism capable of ensuring to the rupee its external purchasing power, and also the terrific problem of stabilization of prices which assumed such enormous importance in the wake of the Great Depression. As later experience showed, some of the decisions taken at Ottawa have definitely gone against the budgetary position of the Government of India, whose revenues became regressive as their obligations under Imperial preference became ever-expanding and potentially a menace to India's very economic existence.

The Baldwin-Chatterjee Agreement of August 20, 1932, is an unpretentious document of fourteen clauses, and though the schedules A to H were so designed as not to frighten the average Indian in terms of the text of the Agreement, there was enough in them to tie his hands and feet in a manner which is inexorable in its operation. Below will be attempted an examination of the Ottawa scheme of preferences in relation not only to India's trade with the British Empire and Commonwealth but also to her trade with countries belonging to the non-Empire group.

The packed Indian delegation to the Ottawa Conference in para 31 of their Report stated: "We are strongly of opinion that India ought not now, when the constitution is in the melting pot, to enter into an agreement which would limit the power of the new Government to shape its fiscal policy in accordance with its own conception of India's interests and of its own place in the British Commonwealth of Nations." Still, this very same delegation posed the question whether India could "afford to stand out of an agreement which seemed likely to include most, if not all, Empire countries other than herself" and answered it by saying that *"it was no longer a question of what India stood to gain, but what India stood to lose"* (*italics* mine). The other pointer

to the manner in which Ottawa was thrust down the throat in this country is indicated by an ever-illuminating para in Dr. John Matthai's Report* on the working of Ottawa preferences, which runs as follows: "If India has improved her relative position in the U.K. as disclosed by her percentage share in the U.K. imports, then, other things being equal, the preference must *prima facie* be deemed to be valuable. Whether India's other customers have taken relatively more from her than U.K. is not quite relevant to the issue." Small wonder, that the Indian Central Legislature denounced the Ottawa Agreement in the most unmistakable manner possible, despite the heroic efforts of the Government and their nominated *bloc* of voters in the Legislature to save it from being jettisoned.

Mr. N. R. Sarker, who later became the Commerce Member of the Government of India, analysing the Ottawa preferences in 1937, had drawn illuminating conclusions about the manner in which the scheme had worked with reference to India. He demonstrated that during the four years 1932-33 to 1935-36 India's total exports in merchandise to the United Kingdom increased with some fluctuations from Rs. 37 to Rs. 50 crores, whereas the off-take of India's export trade and merchandise by foreign countries advanced from Rs. 96 crores to Rs. 105 crores during the same period. In the list of preferred goods, the share of the United Kingdom improved by Rs. 7 crores to Rs. 37 crores, a progression which was only made possible by the graduated decline in the off-take of foreign countries of equal amount from Rs. 65 crores in 1932-33 to Rs. 58 crores in 1934-35. In non-preferred goods the British share improved from Rs. 1 crore to Rs. 7 crores, whereas foreign countries registered an improvement of Rs. 10 crores to Rs. 47 crores during the same period. It is obvious that whatever definite expansion of India's export trade with the United Kingdom was possible under Ottawa, was only possible from the diversion of trade from foreign countries to the United Kingdom in the list of preferred articles. The picture will not be complete unless it is remembered that the increase in British purchases from India during this period was mainly responsible to the increase of Rs. 5 crores on increased tea exports from India, though the *volume* of tea exports had declined during the period. The post-Ottawa years were years of recovery from the immediate shocks of the Great Depression, and such of the increases registered in the overseas trade of India, as also was the case with reference to almost every other country in the world, were due to a more favourable *tempo* of the world's economy and commerce than to any innate virtues of the Ottawa Agreement.

An examination of certain specified commodities included in the Ottawa scheme of preferences indicates their illusory charac-

* This report was written when Dr. Matthai was Director-General of Commercial Intelligence and Statistics with the Government of India. Today Dr. Matthai is one of the principal executives of the House of Tatas, Bombay.

ter in so far as India's overseas export trade is concerned. The value of tea exports to the United Kingdom increased, but the operation of the preferences on tea synchronised with important factors like the depreciation of the rupee in terms of the guilder, and the international tea restriction scheme, and any improvement in the British off-take of Indian tea was off-set by some deterioration with respect to other countries. Jute exports to England under Ottawa went up only at the expense of foreign countries such as Germany, the U.S.A. and the Argentine. In the case of lac, a fall in the United Kingdom consumption represented also a decline in India's exports. Linseed exports to the United Kingdom increased between 1933 and 1935 not because of any particular stimulus derived from Ottawa, but because of the small production and export of linseed from the Argentine which, however, recovered during the subsequent years with recognizable results as far as Indian linseed was concerned. Costa Rican coffee and also Kenya coffee prevented any particular improvement in the exports of Indian coffee to the United Kingdom. There were slight increases in the exports of Indian hides and skins, oil seeds, oil cakes, teak and other hard-wood, groundnuts and woollen carpets and rugs to the United Kingdom. On the import side, whereas the share of the United Kingdom had expanded from 36.8 per cent. in 1932-33 to 40.6 per cent. in 1934-35, the share of other foreign countries outside the Ottawa ring of Imperial preferences declined from 55.4 per cent. to 50.6 per cent. during the same period. It must be remembered that trade figures relating to values are, however, inconclusive, especially with reference to the period of initial recovery from the Great Depression the world over covered by three years of the Ottawa Agreement, and also in view of the fact that the Indian rupee, to the extent inevitable with its sterling link, depreciated in terms of world currencies.

Writing in 1932, Mr. Sarker summarized the initial impact of Ottawa as follows: "The Ottawa Agreement is more far-reaching in its effects than what is conveyed by the mere enumeration of commodities and preferential rates of duty. The Agreement will definitely restrict the ability of this country to revise its taxes on a number of foreign goods." The omnibus list of preferred goods appended to the Ottawa Agreement actually definitely militated against the recovery of India's import trade with the rest of the world. In retrospect, the Ottawa Agreement proved to be restrictive in principle and practice and demanded a greater sacrifice from this country without conferring any possible gains in respect of trade with the Empire group of countries. Such of the benefits gained by India are not only inconsiderable but also problematic, while the United Kingdom reaped a rich harvest from us. As subsequent events had clearly demonstrated, Ottawa provoked a definite Japanese boycott of Indian cotton trade, with the result that an Indo-Japanese Trade Agreement had to be concluded within a few months after the conclusion of the Ottawa Agreement. In view of the fact that most-favoured-nation treatment could not be granted by India in the light of the obligations

undertaken under Ottawa to countries other than those of the British Empire group, the Indo-Turkish Convention of 1931 was imperilled and Turkey unilaterally abrogated this treaty. In 1935 Roumania banned all Indian imports into its territories on the ground that she did not enjoy any benefits of a reciprocal nature of the Indian markets. Writing in 1935 I said: "The net result of the Ottawa preferences would be to extinguish our best foreign custom, while reserving to Great Britain an ascertainable portion of our import trade." Looking back, I must say that this had come to happen. The Ottawa scheme of preferences had definitely imposed additional burdens upon the consumers of India, while imperilling not only our fiscal autonomy but our economic development for which the greatest need existed at this period. India was just showing signs of some recovery at the time of Ottawa after experiencing the ravages of the great Depression, but Ottawa succeeded in almost destroying our chances of *complete recovery.*

The manner in which Ottawa strangulated our export trade to non-Empire countries is best illustrated by an examination of the statistical position of our trade with France and Germany during the years 1931-32 to 1934-35.

Values Of Quotaed Indian Exports to France

(In thousands of rupees)

Date of decree fixing the quota	Commodity	1931-32	1932-33	1933-34	1934-35
5th May 1931	Fertilisers	187	40	43	63
27th Aug., 1931	Wood	27	66	59	..
16th Sept., 1932	Barley and Bran	..	..	..	..
19th Nov., 1932	Coffee	2558	3219	3129	2491
28th Dec., 1932	Animal and Vegetable Oil & Fats	..	..	..	..

It must be noted that a British Ottawa was almost followed by a French Ottawa, under which Metropolitan France gathered unto herself the wherewithal of her colonial empire in a manner which almost put to shame the British effort at Ottawa, but this is understandable. During the first three years of the working of Ottawa Agreement, Indian fertilizers and coffee had suffered in the French market to a very significant extent. As for Germany, the Nazis had just come into power and the autarchical type of economy which Nazi Germany organized led to a system of monopolies and quotas.

Import Of Monopolized Commodities From India Into Germany
(Quantities in metric tons 000's)

Commodity	1932	1933	1934
Rice	2,621	2,221	1,981
Oilseeds	1,810	2,564	2,715
Oilcakes	885	669	1
Rice bran	576	108	37

Up to 1934 Germany's trade balance with India was unfavourable and the most significant factor in Indo-German trade emerged during the last quarter of 1934 when, for the first time in its history, the trade balance of India with Germany became actually unfavourable. It is quite arguable that causes extraneous to the implications of the Ottawa Agreement might have made their contribution to this particular development of tremendous import to our overseas trade, but there is no mistaking the implications of the figures given below.

India's Balance Of Trade With Germany
(Values in lakhs of rupees)

	1929|30	1931|32	1932|33	1933|34	1934|35
Imports	15,79	10,20	10,39	8,89	10,11
Exports	26,76	10,28	8,59	9,84	7,17
Balance of Trade	+10,97	+8	−1,80	+95	−2,94

Incidentally, it is noteworthy that not only India, but also the Dominion of Canada, was left in the lurch as far as trade with Germany was concerned, thanks to the ring of imperial preferences which was thrown round the Empire countries, and also incidentally to a *resorgimento* of world trade which followed in the wake of recovery which just got into stride after Ottawa.

A statistical examination of the behaviour of our export trade in the wake of Ottawa is illuminating. In the list of preferred goods, which was essentially large and which constituted perhaps the greatest difficulty for this country in so far as a readjustment of our export trade to countries of the non-Empire group was concerned, the United Kingdom's share increased from Rs. 33 crores in 1931 to Rs. 37 crores in 1934-35, or an increase of 10 per cent., whereas the share of other countries dwindled from Rs. 78 crores to Rs. 58 crores during the same period, meaning a decline of 23 per cent. In the list of non-preferred goods the share went up from Rs. 10 crores to Rs. 11 crores—an appreciation of 18 per cent., while at the same time countries other than the United Kingdom took from us Rs. 10 crores more in 1934-35 (Rs. 47 crores) than in the pre-Ottawa year, which means an appreciation of 26 per cent. Incidentally, the last statement indicates the manner in which the revival of international trade three years after Ottawa became a significant point, in our trade relations with foreign countries.

From the commodity point of view, an examination of the Ottawa Agreement is equally illuminating. The export of groundnuts from India in terms of values was nearly halved in 1934-35 compared to the pre-Ottawa year, and a paltry increase of Rs. 55 lakhs in the value of our groundnut exports to the United Kingdom during this period had meant a drop of nearly 52 per cent. In our export of this important commodity to countries other than the United Kingdom. Exports of linseed appreciated during this period from Rs. 17 lakhs to Rs. 128 lakhs in the case of the United Kingdom, while other countries took linseed valued at Rs. 172 lakhs compared to Rs. 137 lakhs in the pre-Ottawa year. In the case of coffee, a small increase in the off-take of the United Kingdom had meant a precipitate fall in non-Empire custom, France, and Germany being the casualties in this list.

On the import side, in the list of preferred articles, the tale of Ottawa is equally significant. The following table illustrates this point:

Imports Of Preferred Articles Into India
(Values in lakhs of rupees)

Year	Total	From U.K.		From other countries	
1931-32	30,78	12,69	41%	18.17	59%
1932-33	33,33	13,27	40%	20.06	60%
1934-35	34,48	16.90	44%	21.51	56%
1933-34	32,52	14,91	46%	17.61	54%

It will be seen that India sustained a loss of Rs. 30 to Rs. 35 lakhs per year on the import side, thanks to the operation of Ottawa, while on the export side our valuable non-Empire contacts had come gradually to wane

An approach to the operation of Ottawa Agreements in terms of commodities indicates other illuminating results. In the case of coffee, hides and skins raw, oil-cakes, paraffin wax, jute manufactures, tobacco and timber, there was an all-round improvement in their export to all parts of the world during the three years' period of the Ottawa Agreement. But out of the total improvement of Rs. 475 lakhs covered by these articles in 1934-35, the United Kingdom was only responsible for an improvement of only Rs. 178 lakhs even under the stimulus of Ottawa. In the case of hemp, raw jute and raw wool which did not receive any preference in the United Kingdom, there had been an improvement of Rs. 403 lakhs, of which the United Kingdom was only responsible for Rs. 103 lakhs. In the case of cotton exports, even though there has been a set-back of Rs. 120 lakhs, there was an improvement of Rs. 109 lakhs in our exports to the United Kingdom. It must, however, be emphasized that both Italy and Japan reduced their off-take of Indian cotton to the extent of Rs. 110 lakhs and Rs. 359 lakhs in 1934-35, the explanation being that the Abyssinian adventure of Italy and the impending Indo-Japanese Trade negotiations have made these two countries

unwilling and unable to conform to the previous norms. In the case of rice, pig iron and groundnut, even though there was a general improvement of Rs. 169 lakhs in our exports, there was a shortfall of Rs. 82 lakhs in the normal off-take of the United Kingdom though this shortfall was made good by India in respect of her dealings with non-Empire countries. As for linseed, rapeseed, tea and woollen carpets, there was a set-back for India to the extent of Rs. 138 lakhs during the period of the Ottawa Agreement, of which the United Kingdom alone was responsible for as much as Rs. 92 lakhs. I need not detain myself here with an examination of the attitude of the Government of India to public opinion in this country in regard to the conclusion and enforcement of the Ottawa Agreement, except to say that every stratagem available to the mighty Gods in Delhi was used to foil the effort of Indian public opinion to expose the deleterious consequences of Ottawa. But even the super-human efforts made by the Government of India to save Ottawa from defeat in the Central Legislature were not successful, and the Central Legislative Assembly passed a resolution in March, 1936, denouncing the Ottawa Agreement in no uncertain terms.

INDO-BRITISH TRADE AGREEMENTS

The denunciation of Ottawa by the Central Legislature led to an *impasse* of considerable difficulty for both His Majesty's Government and the Government of India, who, however, undaunted by defeat, went ahead with the formulation in 1935 of what had come to be known as the Supplementary Indo-British Trade Agreement, signed respectively for the United Kingdom and India by the Rt. Hon'ble Walter Runciman and Sir Bhupendranath Mitra. Under this Agreement, it was recognized by His Majesty's Government and the Government of India that, while protection to Indian industry against imports of whatever origin might be necessary in the interests of the economic well-being of India, the conditions of industries in India, in the United Kingdom and in foreign countries had improved so much that Indian industry required a higher level of protection against foreign goods than against imports of the United Kingdom origin. It was also recognized that, under existing conditions, import duties constitute an indispensable element in the revenues of the Government of India, and that revenue considerations must be given due weight in fixing levels of import duties. Article III of this Runciman-Mitra Agreement of 1935, while re-emphasizing the principle of discriminating protection as being vital for this country, straddled India's fiscal policy with the following condition: "The Government of India further undertake that the measure of protection to be afforded shall be only so much as, and no more than, will equate the price of imported goods to fair selling prices for similar goods purchased in India, and that wherever possible having regard to the provisions of this Article, lower rates of duty will be imposed on goods of the United Kingdom origin." This Agreement further enjoined on India the principle that the differential

margin of duty, thus established above as between United Kingdom goods on the one hand and foreign goods on the other, shall not be altered to the detriment of the former. This spurious argument, that the liberty of the Government of India to take recourse to revenue duties for purely revenue purposes was not imperilled or negatived, will not deceive anybody. The Constitution Act of 1935 was by this time going through its last lap, and Chapter III of part V of the Act dealing with the provision with respect to commercial discrimination is a lasting testimony to triumphant British diplomacy, which had been able to build and keep an Empire over which the sun never sets. Sections 111 to 116 of the Constitution Act enshrined within themselves in linguistic form the first principles of commerce which His Majesty's Government had imposed upon India at Ottawa and later in the Runciman-Mitra Agreement of 1935, as will be seen in a later section of this critique. The operation of the Ottawa Agreement of 1932 and the Indo-British Trade Agreement of 1935 had created tremendous repercussions as regards India's foreign trade with countries other than the Empire or Commonwealth group, which at that period were our customers for more than 55 per cent. of our export trade. But before an examination of these reprecussions is made, attention must be devoted to the principles of the revised Trade Agreement between the United Kingdom and the Government of India in 1939.

The denunciation of the Ottawa Agreement and the adverse criticism to which the Indo-British Trade Agreement of 1935 was subjected, created a tremendous impression upon commercial opinion in Great Britain which piously sought to give India "something like a *quid pro quo.*" The second Indo-British Trade Agreement of 1939 took almost three years for its incubation, during the course of which the gravest apprehensions were held in this country about the future and direction of our overseas trade. The *regime* of the *quid pro quo,* however, was not available in this Agreement which consisted of 16 Articles, the most important of which were naturally those dealing with cotton and textiles. The benefits of the United Kingdom free list were ensured for India. Special attention was devoted to Indian tobacco. Linseed specifically figured as one of the Indian commodities acquiring special treatment in the United Kingdom. The principle of Imperial preferences was extended under Article VIII to the Protectorates and Protected States in the Commonwealth and Empire, with a special provision that Ceylon and India should conclude a treaty of their own at a later date (which, however, has not come into existence even today, despite a series of efforts since war broke out, owing to the extreme injustice with which some 900,000 Indians are being treated by the Government of that island). With small exceptions the customs duties charged on imports into India of the United Kingdom cotton goods were fixed as not exceeding:—

(a) Printed goods—17½ per cent. *ad valorem,*

(b) Grey goods—15 per cent. *ad valorem* or 2 as. 7½ pies per lb whichever is higher.

(c) Other goods—15 per cent. *ad valorem.*

In exchange for this high preference to British textile goods entering India, it was stated under Article VI as follows: "For the purpose of determining the appropriate rates of duty to be charged on the United Kingdom cotton piecegoods under this Article, the quantity of the United Kingdom cotton piecegoods actually imported into India in any cotton piecegoods year, corresponding to a cotton year, in which there is a deficiency shall be deemed to have been increased by 25,000,000 yards for every 50,000 bales of the deficiency or for any part thereof, provided that the deficiency does not exceed 100,000 bales in the cotton year ending 31st December, 1939, and 150,000 bales in any subsequent cotton year."

The word "deficiency" means that the amount by which imports of Indian raw cotton into the United Kingdom fall below the following quantities:—

	Bales
For the cotton year ending 31st December, 1939 ..	500,000
For the cotton year ending 31st December, 1940 ..	550,000
For every subsequent cotton year	600,000

It was also stipulated that if the United Kingdom's intake of raw cotton exceeds 750,000 bales, she will automatically receive further concessions in the form of a reduction of 2½ per cent. duty, over the rate of duty then prevailing in respect of printed goods and an additional increase of 25,000,000 yards for the medium and maximum limits.

An examination of the cotton clauses of the Indo-British Trade Agreement of 1939 reveals very startling results. Thus, if during the first year of the currency of the Agreement, the Lancashire imports into India did not come up to the figure of 350,000,000 yards, the Lancashire industry was entitled to ask for a reduction of 2½ per cent. duty over the basic rate until the imports reach the figure of 420 yards. If, on the other hand, Lancashire failed to import the requisite quantum of Indian cotton stipulated under the Cotton Articles, and if the deficiency amounted to 50,000 bales in the first year and 100,000 bales in the second year, then the minimum, medium and maximum limits to which she will be entitled to import will in effect be reduced by 25,000,000 and 50,000,000 yards respectively. It will also be seen, from a detailed examination of this Agreement, that the Government of India were not entitled to operate sanctions on their own side until the quantity of exports of Indian raw cotton to the United Kingdom fell below 400,000 bales in the first and second cotton years and 450,000 bales in the subsequent years. It requires no demonstration of the cleverness of His Majesty's Government to show that under this Agreement, the United Kingdom was enabl-

ed to increase her imports into India to the extent of over 60 per cent. of the then existing quantum, without taking more than 400,000 bales of cotton during the first year of the agreement. The following tabular statement will illustrate this point.

Stipulated quantity of cotton	Imports of cotton piecegoods in India (in million yards)		
	Minimum limit	Medium limit	Maximum limit
With 500,000 bales of Cotton .. .	350	425	500
With a deficiency of 50,000 bales .. .	325	400	475
With a deficiency of 100,000 bales	300	375	450

From the above table it will be seen that even with reduced purchases of Indian cotton by the United Kingdom as compared with the exports for 1935-36 and 1936-37, which were respectively 5½ and 6½ lakhs of bales, India was asked to give Lancashire a reduction of 7½ per cent. duty on import of 375,000,000 yards and a reduction of 5 per cent. on 450,000,000 yards. It is also clear that the United Kingdom was enabled to increase her imports by nearly 60 to 70 per cent., over her existing share of the Indian market, without providing for any increase in the actual intake of Indian cotton. Small wonder that criticism in this country did not react to the theory of *quid pro quo* adumbrated by prominent British industrialists, but characterized the Agreement as one which was conceived in secrecy for a period of three years, rushed through the packed body of Central Legislature, and imposed upon this country by virtue of the political domination which the United Kingdom enjoys over us.

INDO-JAPANESE TRADE RELATIONS

The repercussions of the Ottawa *regime* of trade relationships imposed upon India by the United Kingdom are best understood by an examination of India's trade relations with foreign countries, particularly Japan. The Ottawa scheme of preferences in 1932 almost provoked a virtual boycott of Indian raw cotton by Japan, and resulted in the depreciation of the yen to such an extent as to threaten a avalanche of cheap manufactured goods being diverted from Japan to India. Indeed, there was a virtual crisis in Indo-Japanese trade within a few months of the signing of the Ottawa Agreement, with the result that His Majesty's Government and the Government of India were obliged to open negotiations in London, which ultimately resulted in the signing of a Convention and Protocol between India and Japan respectively by Mr. Sawada and Sir Bhupendranath Mitra on July 12, 1934. Under the Convention, it was laid down that articles produced or manufactured in the territories of one country shall not be subject to duties or charges higher than those imposed on like articles produced or manufactured in other *foreign* countries,

subject to a proviso that the Government of India shall have the right to correct the effects of any variations of exchange value of the yen relative to the rupee on any date later than December 31, 1933. Japan was to enjoy a similar right in case of any variation of exchange other than the one given in the Convention. The Convention was to remain in force until March 31, 1937, continuable to operate until expiry of notice of termination was given. Under the Indo-Japanese Protocol it was laid down that customs duties to be imposed on importation into India of cotton piecegoods manufactured in Japan were to be subject to the following rates:—

(a) Plain greys—50 per cent. *ad valorem* or 5½ annas per lb. whichever is higher;

(b) Others—50 per cent. *ad valorem*.

Article III of the Protocol fixed the quotas of export of raw cotton from India against import of cotton piecegoods from Japan, on the equation of 1,000,000 bales of raw cotton against a basic allotment of 325,000,000 yards of piecegoods, subject to certain variations as regards the increase or decrease in the allotments. The Protocol, which came into force simultaneously with the Convention, was to remain in force till March 31, 1937, which, under the provisions relating to the determination of the cotton and cotton piecegoods years, means that the Protocol automatically ceases to operate on April 1, 1937, while the Convention proper was to continue to remain in force until further notice of termination was given by either party, an arrangement which, curiously enough, gave the right in principle to Japan to continue to unload cotton piecegoods on India after April 1, 1937, provided notice of denunciation of the Convention was not given in time by the Government of India.

Indian critics of the Indo-Japanese Convention and Protocol of 1933 claimed that it was not strictly based on the principle of reciprocity in a bilateral agreement, because only certain categorized items of the export and import trade were taken in hand, whereas the entire trade between the two countries was not covered by its provisions. It was also claimed in India that the Indian cotton grower was not given a square deal in this particular Agreement, while nothing was done to restrict the operation in India's coastal waters of Japanese shipping, which within a year or two after the 1933 Indo-Japanese Agreement became such a great menace to the Indian shipping trades.

The denunciation of Ottawa and the rushing through of the Indo-British Trade Agreement of 1935 automatically created a fresh gap in Indo-Japanese trade relations, and negotiations were opened in India between Consul-General Yonezawa and Mr. (now Sir Thomas) Stuart who was subsequently relieved by Mr. (now Sir Hugh) Dow, who signed the revised Convention between India and Japan on April 12, 1937. The revised Indo-Japanese

Protocol came into force immediately, and was to remain in force up to 31st March, 1940. The general trend of trade regulation between India and Japan under this Convention and Protocol was maintained as before, subject to a few substantial variations with respect to the Protocol only. These variations were the fixation of the Japanese quota for cotton piecegoods exportable to India at 283,000,000 yards, linked up with the purchase of 1,000,000 bales of Indian raw cotton. Any excess purchase of raw cotton by Japan would entitle her to an additional piecegoods quota of 1½ million yards in exchange for every additional 10,000 bales of Indian raw cotton, the maximum piecegoods quota for Japan being ceiled at 358,000,000 yards. In the event of the export of Indian raw cotton to Japan in any cotton year exceeding 1½ million bales it shall, for the purpose of determining the relevant quota of Japanese piecegoods, be added to the quantity of raw cotton exported to Japan in the immediately following cotton year, it being laid down that this carry-over will not be cumulative. The quota for Japanese piecegoods importable into India was classified in a proportion as follows:—

Plain greys	40%
Bordered greys	13%
Bleached (white) goods	10%
Coloured (printed) goods	20%
Coloured (dyed or woven) goods ..	17%

Cotton fents were included in the cotton piecegoods quota for Japan and the quantity of cotton fents which Japan exported to India in any cotton piecegoods year was not to exceed 8.95 million yards with a provision for adjustment in case of excess from the general cotton piecegoods quota of the following period. There were provisions relating to the approximation of the arrangements of the 1934 and 1937 Indo-Japanese Conventions and Protocols.

Indian criticism was emphatic on the point that the entire trade and commerce between Japan and India was not covered by the Convention of 1937 and that, in view of the fundamental character and purpose of Japanese trade with India, the Indian cotton grower did not get what was due to him. It was also stated that, under the 1937 Convention and Protocol, piecegoods exported across overland borders were not included. There was objection to the non-inclusion of artificial mixtures from Japan in the quota system, though they were subjected to increased duties in this country. Finally, Indian opinion was most insistent that the case of smaller industries in this land was not looked into by the Government of India when they signed this Convention with Japan, for, as later events so thoroughly demonstrated, the cotton bias in this Agreement had destroyed opportunities for the establishment of small-scale and medium-scale industries in this country, thanks largely to Japanese dumping of a multitude of goods not covered by the Convention, which was made possible by Japan's subsidized shipping policy, the deliberate depreciation of the yen and other factors of trade over which the Govern-

ment of India did not have any control. The Committee of the Federation of Indian Chambers of Commerce and Industry in a representation on this particular Convention observed that "where the Government of India's customs figures proved to them *prima facie* that the c.i.f. prices of manufactured Japanese goods have been reduced, as compared with those prevailing in 1933-34, immediate steps should be taken to counterbalance such a reduction in c.i.f. prices without any further enquiry in respect of such goods." The extension of the 1937 Indo-Japanese Trade Convention tapers off into the present hostilities and the onward military rush of Japan to the very borders of India. Indo-Japanese trade is now a thing of the past, and when peace returns, the Government and the people of India will have a tremendous responsibility to discharge to themselves in re-starting Indo-Japanese trade in a manner which, while ensuring to the Indian cotton grower an assured market in Japan, will not regulate Japanese imports into this country in a manner provocative to Japan or injurious to the growth and development of indigenous industry. Japan is our largest single consumer in the Orient, and when peace returns, whatever might be the political or military situation in Asia, Indo-Japanese trade is bound to remain of substantial importance to the wealth and well-being of this country. There is no doubt that efforts will be made to see that the Empire group of countries and the United Kingdom dominate India's trade and commerce but, as will be seen in a later section of this critique, a greater proportion of our export trade had before the present war been with non-Empire countries and is bound to remain so after the conclusion of peace. There is no need for any special pleading to demonstrate the importance of Japan's trade with India, and when reconstruction begins after war is over, the *role* of India's raw cotton with respect to the colossal human problems of the Orient in particular, is bound to be emphasized in a manner which will remain unmistakable. Bilaterality in India's foreign trade is bound to be the true test of the manner in which the fortunes of this country are to be regulated when war is over, and bilateralism of a very specific type, in which the Indian importer of Japanese goods is not permitted to destroy the basic foundations of Indian industry and development, will be the criteria which can never be mistaken or misunderstood, securing for India what belongs to her, without injury either to the Empire or the non-Empire group of countries.

INDO-BURMA TRADE RELATIONS

In any examination of India's overseas trade note must be taken of Indo-Burma trade after Separation, against a background of centuries of continuous intercourse which existed between the two countries even prior to the British conquest of Burma and her annexation to India. For eighty years Burma formed administratively a Province of India until Separation in 1937, and the manner in which the Indo-Burma problem, generally speaking, gets tangled up, will be clear from the fact that almost one in twelve in Burma today is an Indian, that Indians in Burma

form an integral part of her economic and commercial systems discharging essential services, and that, apart from the temporary problems created by Japanese occupation, India's relations with Burma will have got to be straightened out in a manner which is honourable to both the parties and enduring in their content.

The following two tables illustrate the intricate character of Indo-Burma trade relationships and the considerable economic and financial advantages which Burma obtains through her enormous trade balance with this country:—

Export And Import Trade Of Burma*

(In lakhs of rupees)

	1935-36	1936-37	1937-38	1938-39	1939-40
TOTAL EXPORTS (including re-exports) to					
(a) All countries (including India)	48,04	49,73	50,42	48,50	55,05
(b) India	27,64	28,05	25,28	25,82	33,05
TOTAL IMPORTS from					
(a) All countries (including India)	20,83	21,78	23,80	20,78	25,16
(b) India	8,95	9,93	10,70	10,24	13,98
Total balance of trade in favour of Burma	27,21	27,95	26,62	27,72	29,89
Made up by trade with India	18,03	17,62	13,99	15,17	19,07
Made up by trade with other countries	9,18	10,33	12,63	12,55	10,82

* According to Burma Government Trade Register.

Balance Of Trade (In Private Merchandise Between India And Burma

(Value in lakhs of Rupees)

	1937-38	1938-39	1939-40
Private Merchandise:			
Exports	10,37	10,03	12,31
Re-exports	92	1,07	1,18
Imports	25,96	24,35	31,81
Balance of trade in Merchandise	—14,67	—13,25	—18,32

Burma was separated from India against the better judgment of the saner sections of the Burmese people, as also against the

predominant sentiment existing in India and, even though no one can say whether after liberation Burma would like to come back to the Mother Country, it is clear that Indo-Burma trade problems have got to be visualized as constituting a separate entity by themselves and as deserving specified treatment like problems pending between two high-contracting parties to any settlement. One fundamental observation must be made here. Indo-Burma trade relations can never be dealt with without any relation to the fortunes of eleven lakhs of Indian settled in Burma and employed in gainful activity with vital stakes in the economy of that country. In what follows below, the need for the preservation of the interests of Indians which are at stake in Burma will be more than fully demonstrated. Attention must also be paid to the problem of Indian evacuees from Burma, their rights to compensation and resettlement on the liberation of that land and their treatment by the future Burmese Government as citizens with specific rights which require safeguarding.

The wisdom of His Majesty's Government in separating Burma from India in 1937 need not be further questioned here, but an examination must be made of the India and Burma (Trade Regulation) Order of March 18, 1937, which sought to regulate Indo-Burmese trade for a period of three years after Separation. Under the Regulation Order, no duties shall be leviable in British India on goods imported from, or exported to Burma, in excess of the duties, if any, which were so leviable immediately before Separation, the exceptions being opium, salt, salted fish or spirit; goods brought into Burma from places outside British India and Burma and, without payment of duty in Burma, brought thence to British India; and, if Burma ceases to be a party to the international tea restriction scheme as applicable to India, to tea. A series of provisions relate to the necessity of concurrence between the Governor-General in India and the Government of Burma before any alterations were made by either country in respect of tariffs subsisting at any time in either country. Article VI of Part Two of the Order runs as follows: "If at any time the duty leviable on the importation into British India of any goods is higher than the duty leviable in Burma on such goods on importation into Burma, duty may be levied in British India on the importation of those goods from Burma not exceeding the difference between the said duties." Under Article IX of Part Three of the Regulation Order, which lays down provisions with reference to Burma, it was provided:—"(1) If at any time a limit is imposed on the quantity of Japanese cotton piecegoods that may be imported into India, the Governor of Burma shall also by notification impose a limit on the quantity of such goods that may be imported into Burma; (2) The said limits shall be such as to secure that the quantity of Japanese cotton piecegoods imported into India from places outside India in each year does not exceed the total quantity of such goods imported into Burma from places outside India during the financial year commencing on the 1st day of April, 1934; (3) As aforesaid, the notification may impose sepa-

rate limits with respect to particular classes of such goods." As understood in this country and as specifically mentioned in the Preamble to the Order-in-Council dealing with it, the Regulation Order was drawn up "with a view to preventing undue disturbance of trade between India and Burma and with a view to safeguarding the economic interests of Burma during that period." In retrospect, it will be noticed that India did not grudge giving this weightage to Burma, because Indians realized the need for some sort of big-brotherly assistance from themselves to a country which, as subsequent events proved to be ill-advised, was just then starting on a career of national autonomy.

The operation of the Trade Control Order, however, has disillusioned most Indians, for in the first flush of democratic freedom, however qualified it might be, the Burmese politicians started on a career of anti-Indian agitation with deplorable consequences, involving loss of Indian life in Burma and leading to the appointment of Mr. Justice Braund as Commissioner to enquire into the blood-shed caused by some misguided Burmese people. Apart from this disturbance to the age-long cordial Indo-Burma relations, some of the actions of the Burmese Government also infringed the provisions of the India-Burma Trade Regulation Order. The most outstanding instance of their unilateral repudiation of the spirit and letter of the Regulation Order was the formulation of the Rice Control Scheme Order of the Burmese Government, which had the effect of completely wiping out the trade of Rs. 32 crores of rupees handled by the Indian community as between India and Burma, and which also represented the putting in jeopardy of 97 per cent. of the export trade in Burma rice and 23 per of the milling capacity of paddy in Burma which Indians held in their hands. Under the Rice Control Scheme propounded by the Burma Government, nobody other than themselves have the right to buy rice in Burma on the f.o.b. basis. The Burma Government alone have the right to export rice overseas and reserve the right to themselves to sell rice on c.i.f. basis either by themselves or through their agents at the importing centres. Further examination of this Rice Control Scheme of the Burma Government demonstrates the point that, while the interests of the Burmese agriculturist do not obtain any recognition, the entire mechanism of internal and external trade in rice carried on by Indians for generations together was sought to be wiped out. The normal mechanism for the financing of agricultural activities which subsisted for at least a century in Burma, mainly through the agency of Indian merchants and financiers, was also to be equally jettisoned through the medium of this executive order. The Burma Government felt that they would be in a better bargaining position when the time for the revision of the Trade Regulation Order arrived, as subsequent events clearly demonstrated. There is no purpose in examining the trade negotiations between India and Burma in 1941, for the rapid Japanese onslaught on South East Asia was gathering such momentum as almost rendered it unnecessary for the Govern-

ment of India and Burma to proceed with any specific revised trade convention or treaty between the two countries.

Still, an examination of the character of Indo-Burma trade relationships is necessary as affording the basis for a future delimitation thereof when peace returns. Addressing the Royal Central Asian Society in March, 1938, Sir Hugh Stephenson, the then Governor of Burma, discussing the predominant position occupied by India in Burma's overseas trade, observed that on an average 57 per cent. of Burma's total exports went to India, which supplied Burma 50 per cent. of the latter's total import requirements, the principal exports from Burma being rice, oil, timber, and the principal imports from India being cotton piecegoods (grey and white), cotton piecegoods (coloured, printed and dyed), cotton-twisted yarn, jute manufactures, iron, coal, steel and tobacco, wheat flour and fish (dried and salted). Sir Hugh Stephenson laid down the dictum that "although Burma's trade was useful to India, it was not vital," and then proceeded as follows: "It would be no use to India to have free trade with Burma if it was open to Burma, by reducing the tariff duties on foreign goods which competed with India, to undermine the privileged position which India held in the Burma market. The only proposal which the Government of India would look at was the maintenance of the privileged position of the two countries in each other's markets. On the other hand, Great Britain could offer nothing to Burma comparable with the advantages of the continued open market in India. Great Britain could not absorb Burma's rice, oil and timber and, although Burma would of course have preferred a greater freedom in regulating its trade to its own advantage, the Indian market was vital and could be secured on no other terms than the maintenance of the existing position." Still, the promulgation of he Rice Control Scheme, completely destroying the Indian's stake in Burma, was almost the first fruit to be enjoyed by India from Separation, which only goes to show that India is a leviathan which was unable to move and protect her own interests, while the lesser fry like Burma and even Ceylon did everything in their power successfully to become aggressive in their relations with us, whether it be in respect of emigration problems or trade pending between them and this country.

In the future delimitation of Indo-Burma trade relations, which must necessarily be conducted on a bilateral basis involving the principle of mutuality, certain first principles must be remembered. If the Government of Burma want to raise revenue without dislocating the trade between India and Burma, they must necessarily levy a uniform surcharge percentage on all the imports, Indian or non-Indian, entering Burma. India does not mind continually having an adverse balance of trade with Burma, but something specific must be done to see that the Indian agriculturist is not penalized by the import of cheap Burmese rice and this statement is made not necessarily only as an argument

against the operation of the Rice Control Scheme, but as one intended to assist India in becoming self-sufficient as much as possible in respect of her rice requirements, which before the Japanese Occupation of Burma were imported into this country to the extent of 22 lakhs of tons a year. There must be provision made for the safeguarding of the valuable textile trade which India was able to build up in the internal Burmese market, and for this the preferred position, which had been the basis for the Indo-Burma Trade Regulation Order of 1937 and also sanctified by the Order itself, must be maintained as against possible Japanese and definitely British competition in the post-war period. Otherwise, the position would become a grievous one as between India and Burma, to the extent that any provocative action from Burma, as has been in evidence without remiss during the first four years of qualified Burmese autonomy, would result in India taking recourse to retaliatory action of a type which will just about knock out the very economic existence of Burma which, as had been demonstrated above, depends on us for 57 per cent. of her total exports and 50 per cent. of her total imports on this country. Australia had repudiated Ottawa in certain essential respects, and we in this country sincerely hope that the former supine attitude of the Government of India and His Majesty's Government to the intransigence of Ceylon and Burma, would not be allowed to continue to the detriment of our national economic interests.

INDIA'S POST-WAR TRADE RELATIONS

An analysis of India's foreign trade at the time of the outbreak of the war, illustrated by the following tables, indicates not only its geographical redistribution but also its response to fiscal and tariff policies in this country, in the United Kingdom and in the rest of the world.

TABLE I

British Empire and Mandated Territories: IMPORTS

(in lakhs of rupees)

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
United Kingdom	47,74	43,96	51,96	46,49	41,61	35,94	36,63	29,56	20,99
Ceylon	1,42	1,70	1,66	1,18	1,46	2,19	3,41	4,37	2,73
Burma	26,22	27,31	25,97	24,35	31,38	28,62	29,38	1,44	2
Straits Settlements	3,00	3,18	3,74	4,13	4,82	5,32	5,35	25	..
Hongkong	23	25	24	35	64	56	82	14	1
Union of South Africa	29	31	48	35	60	78	1,24	2,24	2,02
Kenya Colony, Zanzibar and Pemba	3,50	3,47	4,47	5,13	3,45	3,66	7,33	4,79	3,03
Canada	92	70	1,00	90	1,37	2,97	6,73	5,53	2,09
Australia	1,20	1,07	1,66	2,41	2,39	2,48	4,96	3,22	3,60
New Zealand	4	14	16	16	13	1,18	41	39	18
Other countries	1,72	1,62	3,88	3,10	5,25	6,21	9,31	9,32	6,46
Total British Empire	85,98	83,71	95,22	88,55	93,10	89,91	1,05,57	61,25	41,13
British Empire other than Burma	59,76	56,40	69,25	64,20	61,72	61,29	76,19	59,81	41,11

TABLE II

British Empire and Mandated Territories: EXPORTS (Including Re-exports)
(in lakhs of rupees)

(Burma was separated from British India from 1937-38. Figures for 1935-36 and 1936-37 given in these tables are adjusted figures on the post-separation basis as they appeared in the Review of Trade for 1937-38).

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
United Kingdom	46,06	60,40	64,43	58,25	75,35	65,22	76,97	57,94	43,17
Aden and Dependencies	79	1,07	1,25	1,11	99	82	3,91	4,38	2,58
Ceylon	4,61	4,85	5,59	5,36	6,74	7,69	10,23	14,81	10,97
Burma	10,02	11,10	11,29	11,10	13,47	18,06	12,91	3	..
Straits Settlements	1,52	1,92	2,65	2,17	2,74	3,40	4,45	..	..
Federated Malay States	20	27	46	37	49	72	79	..	..
Hongkong	47	54	87	82	99	1,31	1,04	..	..
Union of South Africa	1,34	1,39	1,54	1,53	3,09	3,09	6,04	10,62	7,80
Mauritius	55	68	62	87	89	96	1,14	1,13	76
Kenya Colony, Zanzibar and Pemba	61	73	87	69	93	2,27	3,94	3,91	2,96
Canada	1,60	2,01	2,32	2,14	4,12	3,18	6,54	3,91	3,75
Australia	2,82	3,15	3,14	2,98	5,50	7,36	12,45	16,19	10,18
New Zealand	40	43	48	43	73	1,30	1,02	1,71	1,43
Other countries	2,39	2,80	3,61	2,46	3,51	5,06	12,37	13,32	11,63
Total British Empire	73,38	91,34	99,12	90,28	1,19,54	1,20,44	1,53,80	1,27,95	95,23
British Empire other than Burma	63,36	80,24	87,83	79,18	1,06,07	1,02,38	1,40,89	1,27,92	95,23

TABLE III

Foreign Countries: IMPORTS
(in lakhs of rupees)

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
European Countries:									
Union of Socialist Soviet Republics	1,61	1,32	73	20	19	..	..	..	3
Sweden	1,08	87	1,41	1,36	1,48	41	16	15	..
Norway	56	45	53	52	85	19	..	..	..
Denmark	30	12	27	31	18	6	..	..	..
Germany	11,85	11,56	15,31	12,96	6,69	10	..	..	..
Netherlands	1,10	1,06	1,48	1,43	1.45	49	1	..	..
Belgium	2,11	2,43	3,27	2,92	2,55	94	1	..	..
France	1,22	1,07	1,57	1,40	1,44	61	..	..	..
Spain	22	18	16	11	9	5	5	1	..
Switzerland	1,42	1,36	1,70	1,60	1,83	1,24	1,73	1,05	1,11
Italy	1,88	1,16	2,57	2,69	2,05	54	..	..	..
Austria	41	36	78	47	10	..	..	..	..
Hungary	24	10	21	28	17	5	..	..	..
Czechoslovakia	64	74	1,52	1,03	58	9	4	..	..
Other countries	78	77	1,25	1,01	78	18	17	12	3
Total European countries	25,42	23,55	32,76	28,29	20,43	4,95	2,17	1,33	1,17

TABLE IV

Foreign Countries: IMPORTS (Contd.)
(in lakhs of rupees)

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
Other Foreign Countries:—									
Arabia	28	28	34	27	34	37	32	33	34
Iraq	50	54	52	46	68	49	1,03	23	37
Iran	2,00	1,56	2,74	3,49	3,12	3,40	6,04	17,75	16,65
Java	1,58	39	37	51	3.37	74	1,95	13	..
Borneo (Dutch)	31	23	38	68	35	54	45	..	..
Thailand	81	25	3	9	53	27	8	..	..
French Indo-China	66	41	5	14	2.60	48	..	..	..
China	1,78	1.32	98	1,73	2,63	2,85	2,82	7	1
Japan	19,48	18,89	22,19	15.41	19,28	21.54	11.78	4	..
Egypt	1,51	1,91	2,98	2,19	2,84	2,75	4,69	8,12	9,21
Portuguese East Africa	44	26	41	34	24	49	1,06	1,08	27
United States of America	8,37	7,45	12,88	9,78	14,88	27.01	34,62	19.12	13,28
Other countries	65	95	1,94	43	90	1,18	57	1,05	49
Total Other Foreign Countries	38,37	34,44	45,81	35,52	51,76	62,11	65,41	47,92	40,62

TABLE V

Foreign Countries: EXPORTS (Including Re-exports)
(in lakhs of rupees)

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
European Countries:—									
Union of Socialist Soviet Republics	35	42	56	38	2	..	71	90	1
Sweden	34	37	50	57	70	13	5	15	19
Norway	39	44	41	56	87	3	..	..	..
Poland	48	76	69	45	21	..	..	..	..
Germany	8,35	9,00	10.53	8.70	2.98	..	..	..	..
Netherlands	3,06	4,76	3.91	4.44	2.56	33	..	..	..
Belgium	4,92	7,11	6.00	4.48	3.21	32	..	..	..
France	7,19	8,18	5.29	6.23	8,15	4,55	..	..	..
Spain	1.77	68	13	22	75	46	9	..	1
Italy	3,38	4,94	5,45	2,64	2.08	38	..	..	..
Austria	4	3	7	3	..	..	..	..	..
Hungary	3	4	7	5	6	2	..	..	..
Greece	48	46	54	45	41	40	57	..	..
Turkey, European	10	20	51	19	16	13	21	1,28	1.79
Turkey, Asiatic	8	14	31	21	11	5	28	30	37
Other countries	72	1,22	1.84	2,59	1.47	41	27	3	9
Total European Countries	31,68	38,75	36,81	32,19	23.74	7,21	2,18	2,66	2,46

TABLE VI

Foreign Countries: EXPORTS (Including Re-exports) (Contd.)

(In lakhs of rupees)

Countries	1935-36	1936-37	1937-38	1938-39	1939-40	1940-41	1941-42	1942-43	9 months 1st April to 31st December, 1943.
Other Foreign Countries:—									
Egypt	1,16	1.31	1,49	1,26	1,78	3.26	6,52	3,80	1.50
Arabia	90	1,01	1,13	1,22	1,35	1,53	3,01	4,78	1,98
Iraq	58	79	76	67	89	1,38	3,86	8,86	3,45
Iran	57	1,46	79	85	94	65	1,52	5,23	89
Java	44	82	1,02	75	1,44	1,06	4,87	..	..
Thailand	91	61	47	70	1,04	90	41	..	..
China	1,24	97	1.99	2,50	8,51	10,10	2,37	14	8
Japan	20,54	28,05	18,51	14,82	14,16	9,19	4,77	..	..
Portuguese East Africa	59	69	79	73	1,00	62	44	54	20
United States of America	16,47	19,02	18,73	14,29	27,18	31,94	54,17	29,79	34,37
Cuba	59	61	59	59	82	73	1,21	99	1,59
Argentine	2,07	3,08	2,71	2,88	3,55	4,02	5,80	2,64	3,38
Chile	16	22	24	20	29	43	80	32	52
Other countries	2,97	3,56	4,06	5,29	7,34	5,24	7,15	7,00	7,09
Total Other Foreign countries	49,19	62,20	53,28	46,75	70,29	71,05	96,90	64,09	55,05

It is clear from these tables that India sought to obtain her imports more and more from countries other than the British Empire and Commonwealth group, and that as far as the United Kingdom was concerned, the decline was emphatic. Actually, Japan, Germany and the U.S.A. were able to augment their share in the import trades of India, though countries other than these three in the foreign group remained almost stationary. On the export side, the reverse position pressed itself upon India's economy in a remarkable manner. The off-take by the British Empire group of countries of Indian goods increased proportionately, compared to the reduced opportunities for Indian exports to the non-Empire group of countries. In this process, Germany, Japan and the U.S.A. came to buy less from us than before, both in terms of percentages and values. It would be a fair inference that this alteration in the *tempo* and trade of this country was more or less the direct result of the Ottawa Agreement and the subsequent Agreements between India on the one hand and the United Kingdom and the rest of the Empire on the other.

Since war broke out in 1939, further changes in India's overseas trade were naturally in evidence. The wiping out of the entire Europen continental market, following in the wake of the onward march of Nazi military prowess, had meant the loss to India of export markets in that quarter of the world alone to the tune of some Rs. 32 crores a year. With the entry of Japan into the war, similar catastrophic results followed as far as India's overseas trade was concerned. The considerable Indian raw cotton market in Japan, capable of absorbing annually anything round about 1-1|2 million bales of Indian raw cotton, was no longer available to us since Pearl Harbour. With the progress of Japanese occupation of South-East Asian countries, further losses were sustained by this country particularly in respect of Burma and to a smaller extent of Malaya, with reference to the export of manufactured and semi-processed goods, particularly cotton textiles. The loss of our export trade to countries under Japanese occupation and to Japan herself since Pearl Harbour must be estimated round about Rs. 80 crores a year.

On the import side, similar results have also followed. A commodity-wise analysis of Indo-European trade before 1938 registered the important fact that more and more machinery and industrial raw materials were being imported into India from the Continental countries than ever before. In tune with the general technique of totalitarian countries like Germany and Italy, which insisted on the bolstering up of foreign export trade as an instrument in the hands of the Governments concerned for acquisition of valuable foreign exchange, a representative of the Federation of Indian Chambers of Commerce and Industry in Berlin almost arranged a tremendous barter deal early in 1939, under which quantities of Indian raw cotton, in excess of the normal off-take of the same by Germany, were to be exchanged in bulk with German shipments of special types of machinery to this country

at prices which must be stated to be to our advantage. This deal, however, fell through, in view of the outbreak of hostilities between Germany and the British Empire group of countries.

The impact of war on the course of India's overseas trade on the import side in particular had meant a progressive reduction in the volume and character of imports (values in terms of inflated currencies and the scarcity *nexus* being deceptive) of manufactured and semi-manufactured goods, particularly textiles from Japan and England and a host of consumer's goods and luxury goods, which, though creating problems of scarcity and short supply in this country, had the effect of giving a considerable stimulus to the establishment of new industries and the progress of old industries in our midst. Published figures relating to India's overseas trade during these five years do not indicate the maintenance of the reasonable quantums of export and import trade by India, even though in terms of values it was established that there was an understandable shrinkage of both export and import trade of this country owing to circumstances relating to the extension of the range of enemy countries and the customary types of difficulties such as shipping freight, exchange (*e.g.* in respect of the U.S.A.) and others.

Quantum Of India's Overseas Trade

	Quantum of Imports	Quantum of Exports
1927-28	100	100
1935-36	89.4	91.3
1936-37	109.9	86.1
1937-38	103.1	95.7
1938-39	102.2	88.7

There was a considerable diversion of India's overseas trade since war broke out. It was stated in the Central Legislature that the United Kingdom Commercial Corporation alone had come to handle export trade valued at Rs. 8 crores in 1942-43 from this country to the U.S.S.R. The off-take by the U.S.A. of Indian exports steadily rose from Rs. 16½ crores in 1935-36 to Rs. 27 crores in 1939-40, Rs. 31 crores in 1940-41 and Rs. 54 crores in 1941-42. Egypt took from us four times more in 1941-42 than in the pre-war years; Arabia three times; Iraq six times; Iran twice; Java (before Japanese occupation) nearly four times. On the import side again the U.S.A. which sent out goods valued at under Rs. 9 crores in 1935-36 exported to us nearly Rs. 15 crores in 1939-40, Rs. 27 crores in 1940-41 and Rs. 34½ crores in 1941-42, the last mentioned figure representing more than the combined total imports into India of all the foreign countries other than the British Commonwealth of Nations, which also corresponds to the proportion maintained by the U.S.A. in regard to our export trade. In an examination of this position, obviously inter-governmental accounts and the operation of Lease-Lend and Reverse Lease-Lend are not taken into consideration, because, not possible.

Thus, the position is arrived at in which the progressive reduction of imports into India from the United Kingdom and the Commonwealth group of countries and the emphasis on a well-regulated direction and flow of Indian export trade to these countries, thanks largely not only to the fact that India belongs to the sterling group but also because due to wartime necessity the control of shipping is in British hands, are established. The moment war is over, the primary concern for India is to see re-established trade relations with ex-enemy countries both to the East and to the West; to maintain the dominant position she has obtained particularly in the near and middle eastern countries and also possibly in respect of the U.S.S.R. (whose trade with us has been augmented owing to well-understandable reasons); to open out channels to preferred markets like those of Burma; and to wriggle out as much as possible from the grip of economic hegemony which the United Kingdom maintains on this country, not for the purpose of cutting the nose, so to speak, to spite the face, but with a view to ensuring the natural fanning out of our overseas trade as a factor stabilizing India's economy and India's place in the world in general. This is a task which is formidable, more formidable because as yet we do not possess the semblance of a National Government, which can take in its hands the regulation and direction of our overseas trade in a manner which will completely subserve our national requirements, without at the same time, striking a discordant note in any *regime* of international trade which is to be established after peace arrives.

Percentage Trade Of India To World Trade*

	Imports	Exports
1929	2.6	3.6
1932	2.5	2.8
1935	2.4	3.0
1936	2.1	3.3
1937	2.5	3.7
1938	2.6	3.4

*Based on the figures of world trade in 1939 Edition of the *Review of World Trade* (in 1937 and 1938 the percentages of Burma and India have been included.)

ATLANTIC CHARTER AND MUTUAL AID

Fiscal and tariff policies are well-known instruments in the hands of Governments for the regulation of export and import trade and, in spite of the havoc which fiscal and tariff action had created during the inter-war period particularly with reference to the activities of powerfully industrialized countries of the Continent, the U.S.A. and even Japan, they are bound to remain valuable instruments in the hands of India to ensure her economic survival in the post-war competitive system which is, on all grounds, bound to be extremely cut-throat in its character. This statement must be considered to be valid despite the existence

of the Atlantic Charter of August, 1941, and the Anglo-American Agreement of February 23, 1942. Article IV of the Atlantic Charter enshrines the principle that "the signatories will endeavour, with due respect for their existing obligations, to further enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity." The tragedy is that for three years British statesmen refused to concede the application of the Atlantic Charter to this country, and in any case the Charter under this particular vital Article does have *respect for the existing obligations* of the signatory powers, meaning thereby the spheres of influence and economic domination which the United Kingdom and the U.S.A. in particular, have over vast tracts of territory sprawling to almost every corner of the world involving the economic fortunes of over one thousand million people (including the people of China as and when China becomes liberated).

The Mutual Aid Agreement, under Article VII, while emphasizing the need "to promote mutually advantageous economic relations within them between the United Kingdom and the U.S.A. and the betterment of world-wide economic relations," declared in favour of "agreed action by the U.S.A. and the U.K., open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic matters of production, employment, and the exchange and consumption of goods which are the material foundations of the liberty and welfare of all the peoples to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers and in general, to the attainment of all the economic objectives set forth" in the Atlantic Charter. These are high-sounding international principles, but countries like India have no relation to them. In any case, the economic and trade rivalries which obtained insistence in the liberated territories of Africa, in the Near and Middle East and even in India herself, as between the U.S.A. and the U.K. during the past two or three years, indicate a portent of tremendous significance to people like us who do not have in their hands the instrument of national sovereignty which is a vital means for providing the solution to our economic and political troubles. To be told that India would participate in the pool of international action which Anglo-American direction is bound to bring into existence after peace, for the promotion and sustenance of international trade in a non-discriminatory manner, would make even the most ardent pro-British Indian sceptical. One thousand crores of sterling credits in the name of India are now locked up in London almost in a death vice, which the ingenuity and political and economic power of Great Britain had been able to create, and until these growing sterling balances, which represent the product of the sweat and toil of nameless millions of Indians who have willy-nilly supplied the grist to the mill of Allied war effort, are released and permitted to be utilized for the purchase

of capital and other durable goods which India so badly needs for her industrial and economic rehabilitation in the post-war period, there is not the slightest possibility for this country to hope for rehabilitation, re-equipment and stabilization of her position in the economy of the world.

For at least fifty years in particular the United Kingdom had reaped the enormous advantages of tying India up with her own currency system, ensuring a 12½ per cent. advantage to British buyers on the rupee-sterling ratio, the limitation of India's choice of purchase in foreign markets, etc. India may be dragged to any Peace Conference as the glorious appendage to British Imperialism, and in all certainty economic and commercial and even political and military policies will be thrust down our throats in a manner whose motivation is undisputed but whose consequences will be catastrophic as far as the well-being of 400 million Indians is concerned. If this comes to happen, bitterness, far more potent than that generated by two centuries of political subordination to the United Kingdom, will be in evidence in Indian hearts, and incidentally will also be directed to such of the Allies as England has, whose connivance, if not active sympathy and support, will legitimately be presumed to exist before these policies are adumbrated and sanctified ultimately into some sort of International covenant not dissimilar to that of the Atlantic Charter. This is a type of international set-up which is bound to be resisted for all time by India, and whose destruction alone will guarantee our right to live peacefully with our neighbours, with whom all international concourse, as delimited by the British connection, must cease. That is to say, India's overseas trade both on the export and import sides, must be permitted to run in channels which are not blocked by the sediment of sentiment relative to the British connection. Indian currency and exchange must again be left untrammelled by the most disastrously artificial rupee-sterling link, especially in view of the fact that India is now stated to have emerged at least on paper as a creditor nation. With the exception of the few years after the United Kingdom went off the Gold Standard, India has always had a favourable balance of trade. Favourable quantums, however, tapered off into favourable money values, as the following table shows, even during the recent war years.

India's Balance Of Trade

	Exports of Indian Merchandise (private)	Re-exports of foreign merchandise (private)	Imports of foreign merchandise (private)*	Balance of trade in merchandise (private)
1935-36	+149,55	+ 4,70	−149,14	+ 5,11
1936-37	+185,05	+ 7,24	—141,10	+51,19
1937-38	+180,93	+ 8,28	−173,33	+15,88
1938-39	+162,79	+ 6,42	−151,83	+17,38
1939-40	+203,92	+ 9,65	−164,76	+48,81
1940-41	+186.90	+11.81	−156,72	+41,99
1941-42	+237,58	+15,33	−173,01	+79,90

NOTE:—The sign + means net exports, and the sign — net imports.

* Exclusive of the value of railway materials imported direct by State Railways working under company management, which was not paid for in the ordinary way and was not therefore taken into account in arriving at the balance of trade.

With progressive industrialization, particularly as projected for the post-war period, India might actually become a net importing country for a period of years after the war. In such an eventuality, the greatest possible need exists for the preservation of equitable exchange standards. Thus, a fuller examination of the currency and exchange policy of India, than has been possible so far, is needed and made below.

CURRENCY AND EXCHANGE IN RELATION TO TRADE

A detailed examination must be made here of the currency and exchange policy of the Government of India in relation to our overseas trade, in view of the fact that international discussions, like those relating to the recently convened International Clearing Union Conference and the "unanimous" Bretton Woods talks on the creation of an International Monetary Fund, are bound to have repercussions of substantial importance to the future commercial position of the country in the world.

Historically speaking, the currency and exchange policy of India, if any such had existed, enshrined itself in the consistent denial to us of the gold standard. The numerous Commissions and Committees, which reported on this question since 1857, agreed in principle to the right of India to choose her own monetary standard, but the arbitrary fixation of the rupee-pound and the rupee-sterling ratios had always meant its denial to us, and the report of the Hylton Young Commission on this issue symbolized the denial almost for ever to India of the right to regulate the external purchasing power of the rupee consistent with our trade position and national needs. In retrospect, the preserva-

tion of India as an essential *bloc* of territory belonging to the sterling group had no terrors as long as sterling was based on the Gold Standard, *i.e.*, convertible at any time into gold or dollars, and London was the financial centre and leader of the world money-markets. Apart from this, the moment the rupee-sterling ratio was fixed at 1s. 6d. per rupee in the teeth of public opposition in this country, such of the advantages accruing from India's forcible adhesion to the Sterling Exchange Standard evaporated into thin air. At 1s. 6d. the rupee was definitely overvalued to the extent of 12½ per cent. and gave foreign exporters, who in practice meant British exporters, a competitive price advantage not only with reference to the import trade of India with other foreign countries but also with internal manufactures, at the same time conceding to Britain and the sterling area, a similar advantage for the purchase of India's raw materials. It is significant that, despite these tremendous handicaps, India was able to maintain her international trade position and general economy marvellously well till the Great Depression of 1929. So long as the United Kingdom did not depart from the Gold Standard, even the impact of the Great Depression upon agricultural prices in India was not as severe as could have been in other circumstances.

The abolition of the Gold Standard by the United Kingdom in 1931 and the automatic dragging of the rupee at 1s. 6d. into the sterling pool was perhaps the last attack of the United Kingdom on India's economy, the sole purpose of which was the prevention of India to retain her proper place in the trade of the world on the basis of an equitable external purchasing power to the rupee. While almost every country in the world started manipulation of exchanges by depreciation of currency as an anti-depression policy, India was denied such a right. It is true that such of the depreciation, as existed, of the sterling accrued indirectly to India, as long as the non-sterling area countries retained their fixed parities, but during the years 1931-33 even the Dollar was undervalued after the failure of the London Monetary Conference, while the relation between the rupee and the sterling remained as rigid as Britain's political grip of India was and is today.

The huge exports of gold from India, very aptly described as "distress gold," during the years following our forced departure from the Gold Standard till the outbreak of the present international hostilities, had been of no mean consequence to the financial recovery of the United Kingdom which was also buttressed, as has been shown elsewhere in this enquiry, by the Ottawa scheme of preferences, with the result that India was heir to all the disadvantages of trading with the sterling area under the most artificial conditions imaginable. Incidentally, this was the period of negative trade balances for India, which were adjusted against India's exports of gold. Yet another factor, which had complicated the economic stability of India and her overseas trade position during this period, was that full recovery

of agricultural prices was not made possible on account of the disadvantages of currency manipulation imposed upon us by the United Kingdom, while almost all the Continental and American countries had successfully stabilized internal prices of raw materials in order to obviate the unfavourable competition between their raw materials and imported industrial and capital goods.

On a review of the Indo-British Currency relations it will be established that, whenever India developed a favourable trade balance, the credits accruing therefrom only remained in London, to be freely disposed off by the United Kingdom with the result that such building up of foreign credits had not actually conferred any advantage in India, while exposing the Indian industries to the pre-emptive export trade of the United Kingdom. During the last Great War such of our credits as accrued in London were wiped out through a war gift obtained from the old Imperial Legislative Council of Rs. 100 crores, and the inauguration of the policy of Reverse Councils which paved the way for British exports to India, resulting in almost a deflationary process in the internal prices of this country. The result was the artificial reproduction of a trade cycle in which adverse trade balances were our legacy.

The worst evils of this rupee-sterling link were, however, apparent during the past five war years, with a huge accumulation of sterling which, on a reasonable estimate, is likely to be something like Rs. 1,200 crores at the end of the war, and a substantial loss of our dollar credits. India's sterling credits in London have been gradually utilized for the repatriation of public debt she owed to the United Kingdom in the long historical process of Indo-British connection, and India has today, at any rate on paper, been demonstrated to have become a creditor country. But these Rs. 1,200 crores of sterling credits still remaining in the books of the Bank of England have been blocked, ear-marked and rendered inconvertible into foreign currency, with the result that India cannot obtain her requirements of capital goods which are necessary for her industrial revival and stabilization now and in the post-war period. Incidentally, the future historian of present day tendencies in Indian economy would record how the sterling credits in London created inflation in our midst, leading us to a position, apart from the effect of war-time conditions, in which Indian prices shot over prices in overseas countries, bringing into process an adverse quantum of trade.

The monetary pattern for the world is still to be fabricated, but what little we know in this country about the implications of the White and Keynes Plans, since repudiated and merged into the Anglo-British *demarche* for the creation of an International Monetary Fund, creates in our minds grave apprehensions about the future of India's overseas trade.* It is futile to examine now

* At the Bretton Woods Conference, India was given the go by by the rest of the world, led by the U.K. and the U.S.A. and

what is likely to become a fact after the conclusion of peace, but basing our argument on the known trends of thought and activity in the United Kingdom, the U.S.A. and other Allied countries, in relation to the fundamental fact of Indo-British connection, it is fair inference that anything agreed to at the recent Bretton Woods Conference or at the future Peace Conference which does not provide for parities between the rupee and the currencies of the world other than sterling, would be the greatest possible handicap for India. Concurrently with this proposition is another relative to the disposal of our sterling credits. As long as India's sterling credits are blocked and rendered almost effete, *e.g.*, in terms of

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supported even by the *emigre* governments of Europe. The following is what I wrote in my paper COMMERCE & INDUSTRY on July 26, 1944:

"For the life of me, I cannot understand the final performance of the Indian Delegation to the International Monetary Conference at Bretton Woods. Writing in this column a few weeks ago, I demanded the formulation of a united front on the part of the official and non-official members of the Indian delegation, and the whole country was gratified to learn that, at any rate during the early stages of the Conference, this cohesion was in great evidence. Actually, the most astounding portion of this story at Bretton Woods was that Mr. A. D. Shroff and Sir Shanmukham Chetty were allowed to wax eloquent about the specific Indian needs concerning the orderly liquidation of our sterling balances, while Sir Jeremy Raisman and Sir Chintaman Deshmukh were conspicuously silent. If I am not grossly mistaken, the Finance Member did not make any specific contribution to the discussions at Bretton Woods, apart from talking to the Press and suggesting that India's sterling credits in London are something like the sweat and blood of the Indian people who underwent privation during five long years of war. The Governor of the Reserve Bank of India was never in the limelight at all.

"So far, I have dealt with the record of the Indian delegation to the Bretton Woods Conference in the procedural sense. The question remains, where, when and how did the change occur in the views of the Indian delegation, whose protestations during the early stages of the discussions at Bretton Woods almost suggested that the breach between India and the U.K. and the U.S.A. was almost unbridgeable, and that the Indian delegation, at any rate the non-official portion of the same, might as well withdraw from the Conference as a protest against the high-handed manner in which the Indian claims were rejected. As the Conference programme unfolded itself, it was clear that sterling credits belonging to India will have to be bilaterally cleared (meaning thereby that India has to fend for herself in her struggle to get out of the financial and political grip of the United Kingdom) that we are to pay to the International Monetary Fund some 400,000,000 dollars (though nothing is indicated whether this is to come out of our sterling credits or from current taxation) and that India is to be denied representation on the executives of the proposed international bank and fund. The bathos relating to the sudden and precipitate cooling of the ardour of the Indian delegation, certainly of the non-official portion of it, in the handling of Indian interests as the Conference proceeded to its climax, is utterly disgusting. Sir R. K. Shammukham Chetty might not be amenable to instruction from any public body but what about Mr. Shroff, who is such a shining light of

our possible purchases of capital goods in markets like those of the U.S.A. and Switzerland, there cannot be any guarantee that Indian overseas trade would conform to channels which ought to be available to us by virtue of our almost impregnable economic conditions. Patriotic Indians do not want the creation of an absolute monetary standard for India which might be at variance with common action the world over, but they do want to save the rupee from the thraldom of the sterling *bloc* which would have the effect of strangulating in the post-war period her vital imports of capital goods from the cheapest and best markets available, at the same time bringing into existence conditions of trade in which countries not belonging to the sterling area would not be freely disposed to sell to or buy from us to the extent necessary and possible. These are arguments based upon the fundamental assumption that after the conclusion of Peace there would be freer world trade based on the principle of an expansionist economy of plenty. If these are India's difficulties in a possible world system of freer trade, we can only imagine what would be the danger to India's economic survival in the post-war world, if and when a breakaway comes from the initial world system bringing in its train restrictive economic and commercial activity on the part of the nations, as was evident during the inter-war period. If economic sovereignty for Imperial nations comes to be once again enthroned after the war, there would be super-Ottawas, commodity pools, buffer stocks and a whole series of arrangements in which India's freedom, which is almost non-existent because of her political subordination, would completely vanish. In this eventuality, if the United Kingdom continues to drag India as her political and economic vassal into Imperial and International conclaves, and compulsorily enjoins upon us a system of trade and economy which is demonstrably not in our individual interest, Indo-British relations would become further exacerbated.

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the Federation of Indian Chambers of Commerce and Industry. Readers will recall that even before the Bretton Woods Conference was convened, the expressed views of Lord Keynes (who later became the leader of he British Delegation to the Conference) indicated that India would not be given a hearing at the Conference. There were loud protestations from the Indian commercial community, including from Mr. Shroff himself, about the iniquity of the Keynes approach to our sterling balances. I ask, why did not the Federation of Indian Chambers of Commerce and Industry cable to Mr. Shroff to throw in the towel and beat a graceful retreat when things were becoming untenable for India at Bretton Woods? This is a question which must be answered squarely.

"Finally, how did the betrayal of India at Bretton Woods take place? Press messages would have us believe that a final appeal for unity from Lord Keynes was responsible for this successful conclusion of the Conference, at which the fatted calf of India was ceremonially sacrificed. How did Mr. Shroff succumb to Lord Keynes' eloquence at the Conference, when earlier he had no good word for his lordship's effusions about India's sterling credits? I mentioned in this column a week or

EFFECTIVE DEMAND AND MULTILATERALISM

The direction of our overseas trade must also be equated to our indigenous industrial needs, as visualized so forcibly in the Bombay Plan of a fifteen years' drive for industrial development involving an expenditure of Rs. 10,000 crores. There are Advisers to the Government of India, whose activities have been condemned times out of number in this country, who have for long years sedulously sought to create the impression that economic self-sufficiency for this country is a contradiction in terms, in the sense that it is apparently unattainable, with the result that free trade or, in the alternative, multilateralism is the only expedient which would enable us to survive the rigours of the post-war world. An examination of this important but obnoxious theory must be made here in order to indicate the true path of progress for this country.

The theory of effective demand as influencing the flow and volume of world trade both on the export and import side must also be disposed of here before any final principles relative to the manner in which our national overseas trade is to be regulated are laid down. It is a commonplace of economic theory that the exports of one country are the imports of another, and that in pure theory proper there is not much distinction between exports and imports. In the case of a country like India, however, I am convinced there is the need and the possibility for arriving at a middle position, in view of certain distinguishing characteristics which separate our national economy from that of any other country in the world, particularly of industrialized Western democracies. Self-sufficiency for India is a phrase which is much misunderstood, and is a programme of action which the enemies of this country do not allow us to pursue. The example of the U.S.A. has been presented to India as a warning against any possible attempt on our part to introduce economic autarchy. For, it is stated that even though the U.S.A. has a vast and potential agricultural economy side by side with perhaps the most powerfully developed system of industry, she was and is importing both agricultural as well as manufactured goods of certain categories, with the result that India also might have to do the same.

It is to be emphasized that any conceivable form of economic autarchy, including a powerfully developed system of industry, *e.g.*, under the Bombay Plan, does not necessarily mean the com-

so after Bretton Woods started its session, that there are to be bilateral talks between the United Kingdom and India about the orderly liquidation of the war debts which the former owes to us. I refuse to believe that Mr. Shroff could have been misled by any secret promises of Lord Keynes or of Sir Jeremy Raisman that His Majesty's Government would do justice to India bilaterally, when internationally India's case was destroyed at Bretton Woods! I think Mr. Shroff owes to this country a full explanation of the inside story of India's betrayal at Bretton Woods." This is not available even today!

plete wiping out of imports and exports with a view to segregating, as an economic Ghetto, our country from world economy and trade. What is meant by economic self-sufficiency in India, at any rate as understood by the patriots of this country, is that we must have the right and the means to lay down a policy of action under which the maximum possible productive output is achieved, without in any way being hindered by the dumping of manufactured and semi-manufactured articles from abroad by countries which have centuries of industrial and technological equipment behind them and with which we on our part are not in a position to compete on equal terms. In other words, India should not be compelled to give preferred markets as a monopoly to any one outside, not excluding the United Kingdom and the British Commonwealth or Empire countries, simply because India happens to have been dragged into and kept under the sterling *bloc regime* on account of factors mostly political, against which we as a people and a country were unable so far to successfully revolt. But this revolt is coming and will succeed in the fullness of time, with the result that existing ideas of propriety of behaviour for India laid down by our masters, *e.g.*, under the scheme of Ottawa Preferences, later incorporated into the two Indo-British Trade Agreements, cannot be allowed to saturate the minds of our people, whose primary need is the evolution of a national polity and an economic system which would give them the maximum opportunities for self-help and sufficiency without at the same time endangering the common weal of mankind. The moment international hostilities cease, the general economic theory of effective demand is bound to play its part with terrific repercussions on the vast majority of countries, both belligerent and non-belligerent, in the world. The colossal destruction of material assets in most of the belligerent countries like the United Kingdom, the Continental group of countries, South East Asia, and even Japan, in the fullness of time, as war progresses to the door-step of Tokyo, is a factor of tremendous import to productive activity in countries like India and the U.S.A. which have so far been subject comparatively to little or no damage from war and which are likely to preserve their immunity from devastation by war. The diversion of the greater proportion of industrial plants from production of consumer and other goods to war production, and the consequent wear and tear resulting in a tremendous need for replenishment of obsolete plants after war, is yet another factor which will give insistence to the theory of effective demand. The virtual wiping out of the ordinary channels of international commerce, including shipping, exchange facilities, trained personnel and others is yet another factor which will give shape to the theory of effective demand after the war in a manner which is bound to be of undoubted significance to a country like India. As has been indicated earlier, war has meant the complete disappearance of our export trade to the belligerent countries of the order of anything between Rs. 120 and Rs. 150 crores a year. On the import side also, almost catastrophic changes have taken place

in the volume, character and direction of trade, with the Empire and the sterling *bloc* of countries looming large to an unnatural extent, and also with the U.S.A. emerging as perhaps the second best customer both in the export and import trades of this country. The moment war is over, and whatever may be done by such of the wisdom of international statesmanship as survives the horrors of war towards the re-establishment of commercial and economic intercourse between the belligerent and the non-belligerent countries of the present, we must reckon with the almost inexhaustible needs of countries ravaged by the present hostilities for food, durable goods, consumer goods and even luxury articles of a range and variety almost unimaginable according to present-day standards. Even Burma after liberation may have to be fed by India, though we ourselves today experience a tremendous shortfall in food supplies.

The volume and *tempo* of industrial activity in India since war broke out has surprised popular imagination in relation to previous standards. But, even this progress of industry is not sufficient, as has been so well elucidated by the Bombay Plan, which shows the peremptory need for the immediate doubling of our *per capita* income, the raising and stabilization of standards of living and comfort, the redistribution of economic activity which brings into existence some sort of understandable balance between agriculture and industry, and finally the creation of a system of national economy in which India will cease to be the exporter of raw materials and the dumping ground of manufactured goods from abroad. Assuming that the Bombay Plan, or something very near that, will come into existence after the war (and it has been the declared intention of the present Government of India that post-war reconstruction or development is a matter of paramount importance to their policy and action for the present and the future and that they are actually abreast of plans which will be implemented when the war ceases and opportunities present themselves), it is obvious that effective demand internally in this country for industrial raw materials to feed the augmented industrial activity, as projected, will become immeasurably greater than what had ever been in evidence so far, with the result that opportunities for the export of these raw materials, in accordance with the morbid custom of the past will become less and less at the same time. The moment industrial production steps up, there is bound to be a certain surplus of manufactured or semi-processed goods ready for export to overseas countries, *e.g.*, increased quantities of cotton textiles. At any rate, even if such a surplus does not exist, in view of the increased demand internally for consumer goods in direct proportion to the projected and possible increases in the standard of living and money margins of the community under any scheme of industrialization, the need certainly exists for India to cultivate export markets for manufactured goods, not necessarily as a means for finding outlets to any overplus of the same, but as an instrument in the hands of the country to secure trade facili-

ties of a type which will not be possible without the export of such manufactured or semi-processed goods, like the much-needed reshuffling of our trade with the U.S.A. Contrariwise, any improvement in the material well-being of the country, which must be assumed to come into existence as a result of further industrialization and increased economic *tempo* in the country under any development plan so far adumbrated, necessarily creates more demand than ever before for certain types of consumer goods from overseas countries. A statement like this might look paradoxical, but there is more paradox in economic and human behaviour than is easily understood. These are general propositions, whose validity is bound to be tested even in the United Kingdom and, if I am not mistaken, it is almost certain that the moment the war is over, highfalutin international sentiment, the desire to save European civilization from collapse, the theory of remote blood relationship and a host of other considerations will come into play, and will be responsible for the grant of concessions to almost every European country at the expense of suppressed and backward peoples like the 400 millions of India, the 500 millions of China and the vast colonial populations of European powers which are scattered all over the surface of the globe. Even Japan might have concessions given to her by the Allied group of countries, in a manner which may not easily be comprehensible to us at the present moment. The theory of full employment will come to play a tremendous part in the regulation and canalization of international trade, with benefits given to the presently-belligerent countries to the detriment of the so far politically suppressed peoples of the world. But India insists that what is sauce for the gander must be sauce for the goose, and any impediments thrown in the way of the provision of full employment in India after war will be resented and resisted by Indians to their utmost.

Examining one of the most important specific points relative to India's overseas trade in the post-war period, we must again recognize the significance of and the most important part to be played by our sterling balances which are daily growing in London and which His Majesty's Government are pledged to redeem at an undefined future date.* India is now demonstrated to be,

* After the debacle of Bretton Woods, Sir Chintaman Deshmukh, the Governor of the Reserve Bank of India, went to London, ostensibly to discuss the question of India's sterling credits in a bilateral way as indicated by Lord Keynes, but had to return to India almost hurriedly and unceremoniously. The following is an extract of what I wrote in my paper COMMERCE & INDUSTRY the day after the "termination" of Sir Chintaman's London mission (September 6, 1944):

"I was not surprised when in yesterday's papers I read the cryptic London cable, which sought to state that Sir Chintaman Deshmukh, the Governor of the Reserve Bank of India, who had gone to London after the Bretton Woods Conference for the purpose of discussing with the British Treasury the future of

for the first time in her long and chequered history, a creditor nation, with no more need to export commodities and goods in order to obtain the wherewithal for the servicing of the debts heaped upon her by her master during two hundred years of political domination. There are people, among them some of the foremost advisers of the Government of India, who insist that these one thousand crores of sterling assets are at best of a purely monetary character, and need not necessarily become vital adjuncts to any scheme of India's overseas trade. The sooner this canard is destroyed the better it is for all concerned. Even the merest tyro with any pretence to economic knowledge admits that our sterling credits in London are monetary, and not even the double dose of academic wisdom on the part of the higher

India's sterling balances, is shortly to return to this country, for it is stated that there is no purpose served by his prolonging his stay in London. I know something of the technique behind Press messages of this character. They are not official *communiques* and official quarters very naturally and even indignantly protest if it is suggested that they are privy to them. The tribe of newspapermen, including functionaries of news agencies, to which I belong, has to stomach so many things in a day's game, and messages of this character are one of the types for which we are obliged to serve as vehicles or channels. If I am not mistaken, the London message I have referred to indicates the utter futility of Sir Chintaman continuing his stay in London, for it is clear that the British Treasury is in no mood for discussions capable of speedily and beneficially liquidating our sterling balances at the present moment. When I say this, I mean that the benefit must be assessed from the Indian point of view. Actually, it must be presumed that Sir Chintaman has been told by the British Treasury, as politely as diplomatic language permits, to 'shut up" at the present moment about talks on the question of the liquidation of our balances. . . . .

"Apparently, Sir Chintaman Deshmukh has had this invitation to go to London for this purpose, though I am rather curious to know why Sir Jeremy Raisman and that phantom diplomat, our redoubtable Economic Adviser to the Government of India, Sir Theodore Gregory, did not figure in these London talks. Not that I take it that these two dignitaries of the Government were not hovering the Deshmukh talks in London 'in spirit if not in flesh.' I suppose that the Governor of the Reserve Bank of India, by virtue of the fact that he holds the British baby represented by the sterling balances of this country in London, is the fittest person to have talks with the British Treasury, with the result that he alone has been invited to go to London from Bretton Woods and resume the discussions interrupted after Atlantic City. But, I repeat again that there is an element of stark unbelief attached to the manner in which Sir Chintaman *alone* was sent to London, unless it be for the sole purpose of offering him the rebuff implied in the London message published in Monday's papers in this country.

"I have all along been fed on hopes that the Industrialists' delegation to the United Kingdom and possibly to the U.S.A. would start on its errands, and that the question of the utilization of sterling balances would also form part of their work in both the countries. I am afraid that, as at present understood, this visit of Indian industrialists might not come off at all. It has three times been postponed, either due to the complexities

economic advisers of the Government of India is needed to demonstrate this fact. But our sterling credits in London are of substantial import to our economic well-being and our international trade in the post-war period. At the moment, these credits are blocked and cabined in the sterling *bloc* of countries, dominated by the United Kingdom, completely cut off from the dollar and without any provision for a specific date and method for repayment by the United Kingdom. In fact, these represent not even a post-dated cheque on the part of the United Kingdom, and must be presumed to have been completely frozen for all intents and purposes. It sounds plausible to be told that these sterling credits are supplying the backing to the currency system of the country, which has expanded beyond endurance during these six war years, and which has almost deliberately created the problem of inflation and reduced the margin of purchasing power for the community, but these sterling credits must necessarily play an important part in the evolution of Indian economy and India's overseas trade in the post-war period. The effective demand for capital goods and industrial raw materials in India cannot be minimal after the war, and the sterling credits must necessarily be utilized to secure this essential capital equipment from abroad. This is the reason why the purely monetary *nexus* of these sterling credits cannot be allowed to be exaggerated. These credits must be equated with the future potential supply of certain types of equipment and materials needed for our industrial expansion, and, consequently, they must service a definite proportion of our post-war international import trade. What India demands with one voice today is the liberty to dispose of these sterling credits in a manner best conducive to our national interests, meaning thereby the free convertibility of sterling credits, for the purpose of enabling us to purchase our capital goods, industrial raw materials and such other things we need most in the post-war period from the best and cheapest markets

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of the military situation in Europe or the unwillingness, at any rate, of some of the selected individuals to undertake the risk of flying to distant countries over battle fields and battle areas. I had always felt that the association of Indian industrialists and business men with discussions involving the liquidation of our sterling balances is vitally necessary. Comrade Roy and his school of thought claim these Rs. 1,000 crores as belonging to the community, and I believe that from the pure point of sentiment there is a lot of truth in their contention. Whatever be the ownership nexus of these sterling balances, it is the industrialists in this country who have to buy capital goods, etc., in the post-war period (since war-time purchases are rendered taboo), with the result that opportunities for them to study the markets and the methods of application of these balances for purchases on behalf of this country, are urgently required. After the debacle attending the Deshmukh Mission to London, I do not know if the sterling balances question would be reopened till after the war. But the country would watch every step of His Majesty's Government in this regard with great interest and concern."

An India Office spokesman later stated that bilateral talks will be held at a future date. We are still awaiting this.

available abroad. As long as the United Kingdom blocks these credits and prevents us from utilizing them in our national interests, there is bound to be the greatest possible amount of friction between her and India, which does not conduce to the promotion and consolidation of international trade and political relationships in the future. The effective demand in India for capital equipment and even for certain specialized types of consumer goods in the post-war period, which do not compete with indigenous production but which are completementary in character, is bound to become the vital factor in the world's trade, and more so in the overseas trade of this country, and is one whose validity must be recognized without any further loss of time.

MULTILATERALISM Vs. BILATERALISM

Three publications have recently been issued, canalizing international thought with reference to trade problems, which must be taken together as constituting the sum total of Anglo-American diplomacy which naturally seeks to dominate the world after the war. They are "Industrialization and Trade" by Prof. A. J. Brown (Royal Institute of International Affairs, London), "Trade Relations Between Free Market and Controlled Economy" by Prof. Jacob Viner, and "Quantitative Trade Controls: Their Causes and Nature" by Prof. Gottfried Haberler and Mr. Martin Hill (these two publications were issued by the League of Nations Secretariat from Princeton). These three enquiries about aspects of international trade and industrial development of backward countries, though approaching their subject from different angles, converge on the same thesis, *viz.*, the need for multilateralism in world trade after the war. Prof. Brown says: "There remain the areas which are poor, relatively to their population, in natural resources of all kinds—Eastern Europe, India, China and Japan. Their poverty and resources, and the low standard of living which they could, therefore, attain, relatively to the rest of the world in conditions of more or less equal development, clearly indicate that their strength is in those industries and those forms of agriculture in which labour costs are more important. Industries of this kind are less dependent than others on possession of the industrial resources shown. . . . Nevertheless, they and the minor heavier industries which tend to go with them, in favourable circumstances (largely because of the demand for repairs and replacements of their plant) clearly have the best chance where power is most plentiful. In relation to agricultural resources, Japan has the most power of the poorer areas; Eastern Europe, the resources of which are greater in relation to population, is otherwise in a not dissimilar position; China has coal and subsidiary water power resources, which are very large absolutely and not small even in relation to her enormous population; India's power resources (except for the potential water power) are much smaller than China's. The iron resources of all these poorer areas are small in relation to their populations; those of India are large enough absolutely, to sustain an industry as large as

Britain's for several generations, but this would not very greatly transform the general economic structure of a community of nearly 400 million, and it is in relation to their probable effects on structure, not to their absolute size, that resources are of interest for the present purpose. The simple-minded nationalists with positive beliefs that their country should produce something of everything, as a means of asserting its full nationhood, have also been of great assistance to determined seekers of privileges at the public expense."

Professor Viner observes: "Countries committed to comprehensive economic planning on a national scale, involving direct intervention in the processes of the market and State control of the allocation of at least a major part of the national supply of productive resources for production, must find some way of controlling foreign trade so that their plans shall not be subject to continuous disruption through unanticipated fluctuations in the prices and—or quantities of particular categories of imports and exports resulting from external factors beyond their control." But Prof. Viner's attack was in relation to the economic phenomena relating to international commerce during the inter-war period, on three of the major types of Government control of foreign trade such as exchange controls applied to commercial transactions, import quota systems and governmental monopolies of foreign trade. He says that these three forms of restrictive approach by national governments to international trade are obnoxious, because:

(i) They tie up diplomacy closely with the detailed conduct of foreign trade and thus promote international controversy and facilitate the harmful injection of political and military considerations into trade relations;

(ii) They lend themselves more effectively than ordinary import duties to the application of monopolistic methods to foreign trade, to the economic injury of the world as a whole;

(iii) They promote bilateralism in foreign trade, at the cost partly of economically superior multilateral trade and partly of the suppression of profitable foreign trade;

(iv) They lend themselves to discriminatory treatment of the trade of different countries for economic or political purposes;

(v) They promote, or even require for their execution, the development of internal monopolies and the restriction of the field of private enterprise, and especially small-scale enterprise; and

(vi) By placing other countries not following similar practices in a position of relative disadvantage in trade-bargaining, once established in some countries they tend to spread to other countries.

Arguing on this basis, Professor Viner lays down the fundamentals of multilateralism, and urges the formulation of a Convention at an international conference on multilateral trade which, he claims, "should provide that every signatory country relinquishes any claims on other signatory countries which it may have under existing treaties or agreements for most-favoured-nation treatment from other signatory countries, but without obtaining freedom from the obligation to grant such treatment itself, upon a finding by the international supervisory agency that it had resorted to any practice or practices in violation of the convention of sufficient importance to warrant such penalty."

Visualizing the possibilities of post-war international trade, Prof. Gottfried Haberler and Mr. Martin Hill apprehend the possible recrudescence of the inter-war period type of economic isolationism, autarchy, regimentation and State control, which naturally seek to restore national, economic and commercial equilibrium through centrally controlled trade. These two authors characterize quantitative controls in international trade as non-conformable types of State intervention, for they introduce rigidities which undermine the functioning of both the price mechanism at home and the system of multilateral settlements abroad, and that they tend to work in a vicious circle, each control inducing a further control of the same commodity or related commodities in the economy of the country concerned as a whole. They lay down the cardinal principles which must govern the avoidance of a revival of autarchic commercial policies on behalf of national sovereign states in the post-war period, and express anxiety about the manner in which the Governments, including both the belligerent groups and neutrals would introduce de-control of state activity, with particular reference to the regulation and direction of foreign trade. There is, however, no disposition on the part of these authors to minimize the need for care and gradualness in de-control, for any sudden reversal of the economic machine of the war-time might lead to more catastrophic results to the detriment of the economy of the world than can be easily imagined*

Summing up the conclusions of these three enquiries with reference to the special needs of India, one must first of all recognize the basic argument presented with reference to the economies of highly industrialized states in the West, in particular the United Kingdom and the U.S.A. The theory of comparative costs and national specialization in industrial and economic activity, which must be presumed to be the thread running through the argument of all these enquiries, cannot be accepted in this country, even as an examination which will be made later of the policy of discriminating protection adopted by the Government of India since 1922 will clearly demonstrate. Industries

* See the *Economic Controls Supplement* of my paper *Commerce & Industry*, New Delhi November, 1942, where this question has been fully discussed.

have been built up and nourished, *e.g.*, the cotton textile industry in the United Kingdom and Japan, without the countries concerned growing the raw materials necessary for those industries, and specialization and technological equipment, in the light of modern developments the world over, need not necessarily be the prescriptive right of western countries either in the historical or in the qualifying sense. The theory of multilateralism so ably propounded on either side of the Atlantic cannot also be regarded as the manna for India in the post-war period, even though the most ardent patriot in this country does not wish to create a rift in the lute of international collaboration and the smooth running of world trade in the future. *A priori* India has no objection proper to the principle of specialization, but what India demands and insists to obtain today, tomorrow and the day-after is the right to regulate her economic and commercial policies in a manner which is not ridden by economic theory of the tabloid type which powerfully industrialized Imperial powers of the West seek to put across, as in the case of the theory of multilateralism. Even the most ardent multilateralist in the United Kingdom and the U.S.A. does not refuse to admit that, definitely, bilateral trade action immediately following the signing of the Peace, is a beneficial instrument even for industrialized Western states for a definite period. At one place, Prof. Jacob Viner applauds the Argentine-Brazil Trade Agreement of 1941, in which provision was made "that only balances in the commerce between two countries exceeding a certain amount may be collected by means of an increase in the purchases of the trade of the country." At a later stage, Prof. Viner lays down the dictum that this "equalization of trade balances by pairs of countries is an intermediate phenomenon between bilateral individual barter on the one hand, and a world-wide system of buying in the cheapest and selling in the dearest market, on the other hand."

We in this country have had a sad experience of the complementary and contradictory system of Imperial Preference running side by side with the most-favoured-nation clause, with reference to British Empire and foreign trade respectively during the past twenty years. In the Indo-Japanese Trade Convention of 1934 it was laid down that "any article, the product or manufacture of dominions and possessions of His Majesty, the Emperor of Japan, shall enjoy upon importation into India the lowest customs duties applicable to similar products of any other foreign origin. Reciprocally, any article, the product or manufacture of India shall enjoy upon importation into the dominions or possessions of His Majesty, the Emperor of Japan, the lowest customs duties applicable to similar products of any other foreign origin." This is an admirable principle despite the distinction between the British and foreign sides of the trade of India, and it tended towards a scaling down of international tariffs as long as the most-favoured-nation clause operated to lower rather than increase the tariff duties but as the experience of the Depression period between the

two world wars has demonstrated, the most-favoured-nation clause had almost meant the denial of freedom to bargain, the standardization of tariff policy, and, even in certain cases, the stabilization of tariffs on a higher rather than on a lower basis. A comparison of the Ottawa and the Indo-British and Indo-Japanese trade agreements of the inter-war period definitely substantiates this position.

India recognizes the principle that the best seller is not necessarily always the best buyer, but still India claims the right to secure and nurse the custom abroad in the post-war period, even if the countries concerned are to be ex-combatant. In other words, it is, as has been clearly demonstrated earlier, necessary for India to resume the threads of contact with the outside world, apart from the British Commonwealth and Empire group of countries, as were left behind by the outbreak of international hostilities in 1939; to foster the principle of guarded bilateralism even including the principle of carefully designed barter and clearing arrangements; and to lay down a fiscal and tariff policy, particularly in view of the fact that she is a creditor country, which is capable of obtaining for her capital goods and technical equipment in the cheapest and best markets in the world. I notice a tendency in the councils of the Government of India, however surreptitious it might be, towards thrusting upon the country in the post-war period a scheme of multilateral trade which, as has been demonstrated above, is not in the interests of the people. Multilateralism proper is inconsistent with protection, for multilateralism is but an exaggerated emphasis on free trade principles which governed the activities of the United Kingdom till the promulgation of the Import Duties Act of 1932. The principle of bilaterality must be recognized as the most potent instrument in the hands of India to regulate and direct her foreign trade both on the import and export sides with countries of the British Commonwealth group as well as foreign countries; but for this the shackles of the sterling *bloc* which have been rivetted upon India owing to the long decades of the Indo-British connection must be removed. In any case, India has a right to demand and enforce a system of tariffs in relation to the progressive expansion of her industry in the post-war period, to which, incongruously enough, even the present Government of India are avowedly committed, which can guarantee the liberalization of her foreign trade as an instrument for securing the well-being of 400 million people.

"COMMERCIAL DISCRIMINATION" AND CRIPPS' OFFER

One of the most fruitful sources of bitterness in this country relates to what has been called the "Commercial discrimination" clauses of the Constitution Act, 1935. Clauses 111 to 121 of the Act embody the principles of British commercial policy in and towards India, and a brief examination of these is necessary here. The rights of British subjects domiciled in the United Kingdom

are secured in this country on a basis of parity with those of the nationals of the land, and, naturally, until "revision" of the Act is possible—and this is only possible if India becomes independent and negotiates a treaty proper with the United Kingdom, which seems to be a long way off—non-nationals of this country, *e.g.* those of the United Kingdom, will enjoy privileges which they certainly do not enjoy in foreign lands. There are provisions against any "discriminatory taxation" of British subjects domiciled in the United Kingdom, companies incorporated in the United Kingdom also sharing these protective benefits, not to speak of the "India Limiteds" which have cropped up like mushrooms after a shower, under the protective wing of these clauses of the Constitution Act during the past ten years. British ships and aircraft also share in these benefits.

There is a provision in the Act (Section 116) dealing with possible subsidies to national Indian industries at any time after the passing of the Act, and the relevant sub-section relating to British interests runs as follows: "Provided that this sub-section shall not apply in relation to any grant, bounty or subsidy for the encouragement of any trade or industry, if and so long as under the law of the United Kingdom, for the time being in force, companies incorporated by or under the laws of British India and carrying on business in the United Kingdom are not equally eligible with companies incorporated by or under the laws of the United Kingdom for the benefit of any grant, bounty or subsidy payable out of public moneys in the United Kingdom for the encouragement of the same trade or industry." Section 118 deals with power to secure reciprocal treatment by convention, and reads thus: "If after the establishment of the Federation a convention is made between His Majesty's Government in the United Kingdom and the Federal Government whereby similarity of treatment is assured in the United Kingdom to British subjects domiciled in British India and to companies incorporated by or under the laws of British India and in British India to British subjects domiciled in the United Kingdom, respectively, in respect of the matters, or any of the matters, with regard to which provision is made in the preceding sections of this chapter, His Majesty may, if he is satisfied that all necessary legislation has been enacted both in the United Kingdom and in India for the purpose of giving effect to the convention, by Order-in-Council declare that the purposes of these sections are to such extent as may be specified in the Order sufficiently fulfilled by that convention and legislation, and while any such Order is in force, the operation of those sections shall to that extent be suspended."

There are provisions circumscribing the competence of the future Federal Legislature of India to prescribe "the professional or technical qualifications which are to be requisite for any purpose in British India or which imposes, or empowers any authority to impose, by reference to any professional or technical qualifi-

cation, any disability, liability, restriction or condition in regard to the practising of any profession, the carrying on of any occupation, trade or business, or the holding of any office in British India," obviously for the purpose of ensuring to the Britishers in India rights which are not available to members of legal minorities in some of the Central European countries, under the minority treaties of the League of Nations. The history of the portentuous growth of "India Limiteds" since the Constitution Act was passed, is a warning that it would be extremely difficult to liquidate the enormous economic monopolies held by British merchantmen in our midst, and if any further evidence is needed to establish this point we must only remember the creation of a new precedent by the appointment of a representative of Clive Street to the Executive Council of the Governor-General in the person of Sir Edward Benthall.

But the Draft Declaration of His Majesty's Government which Sir Stafford Cripps, the then Lord Privy Seal, announced to the world from New Delhi on March 29, 1942, gave momentary hopes in India that in any future federal constitution for the country, Indians would be able to regulate their national, political and economic fortunes in the effulgence of complete national autonomy. The Draft Declaration made by Sir Stafford Cripps does not make any reference to questions like commercial discrimination, etc., but I was responsible for obtaining an elucidation of the views of His Majesty's Government on these important issues, through a series of questions I put to the Lord Privy Seal at the Press conference at which the Draft Declaration was made public. The following is what I wrote after Sir Staffords' Press conference*:

"I asked the Lord Privy Seal whether it is not a fact that the Balfour Declaration incorporated in the preamble of the present Draft Declaration is connoted by the Statute of Westminster, whose specific content is the right to secede from the British Commonwealth whenever a Dominion so decides, and the answer obtained was in the affirmative. Herein lies the basis of future Indo-British relationships, particularly those relating to commerce and trade relationships. I have further ascertained that, if the future Indian Union so wishes it can repudiate all the present financial obligations marking Indo-British relationships. This also is a very vital point which cannot be forgotten in the present discussions. Then again, I found out that the guarantee of His Majesty's Government incorporated in C (ii) of the Draft Declaration of Sir Stafford Cripps, which deals with the "protection of racial and religious minorities" does not include the Europeans in this country. There cannot be any doubt, as per the explanation obtained from the Lord Privy Seal, that the future Indian Union can repudiate, if it so desires, the "commercial discrimination" clause of the Government of India Act of 1935, which has

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* See my despatch to *Commerce*, Bombay, April 4, 1942.

been so vigorously interpreted in this country as constituting a halter round the nation's economic and commercial development.

"Towards the end of the two-hour discussion, when the Lord Privy Seal finished, with the assistance of the journalists present, the entire *seriatim* provisions of the Draft Declaration, I asked whether His Majesty's Government now see any difficulty to India participating in the Atlantic Charter, and the answer I obtained was couched in the phrase "none at all." There was not much time for the discussion of this very vital question, but I have no doubt in my mind that Sir Stafford Cripps and His Majesty's Government would assist, in every manner concerned, in the removal of the disabilities so far imposed upon this country by virtue of the fact that, earlier, Mr. Churchill declared that the Atlantic Charter had nothing to do with India.*

"Summing up the economic and financial implications of the Draft Declaration in so far as they affect post-war India, I am convinced that perhaps the most astounding self-denying ordinance is to be indulged in by Britain according to the proposals analyzed above. For example, there will not be any *imperium in imperio* of a Statutory Railway Authority, incorporated in the Constitution Act of 1935, to thwart the emotional association which India and England had, can be cut asunder, without any reliefs to the latter, if the Indian Union of the future comes to such a decision. There is no longer the need for the Congress, for example, to produce the K. T. Shah reports on the financial relationships between England and India and the need for the repudiation of India's public debt. Indeed, the Draft Declaration now presented to the world defining the future Indian Union is clear-cut, at any rate as far as India's economic and financial relationships are concerned. . . . .

"I asked Sir Stafford Cripps whether it is not an anomaly that, while Defence is not handed over to a non-official Indian on the ground of lack of experience in India of Defence questions, Finance and Communications can be so easily handed over to non-official Indians, and the answer I got was that there is no comparison between Defence, on the one hand, in war-time and Communications and Finance, on the other. There seems to be some confusion, however, as to the manner in which joint responsibility can be arranged, between England and India, during war-time, in the sphere of Defence. Sir Stafford could not at the present juncture burden himself with details, but it is obvious that if Finance is to be Indianized in the near future for the duration of the war and Defence reserved as a special subject for His Majesty's Government, there is bound to be a lot of friction in this operation of the Declaration for the duration of war. Actually strategic direction of Defence for the duration of war is to be in the hands of His Majesty's Government, while 'the task of

* This, however, has not come to be realised in this country even by the end of 1944.

organizing to the full the military, moral and material resources of India must be the responsibility of the Government of India with the co-operation of the peoples of India.' In answer to a question, the Lord Privy Seal said that this distinction is obviously needed and self-explanatory, for questions like civil defence, etc., will naturally be dealt with by the Governor-General in consultation with his reconstituted Executive Council which is to be completely Indianized, but for the lack of an Indian Defence Member and the presence of a Commander-in-Chief."

The Draft Declaration has, since its rejection by the Congress, the Muslim League and other political parties for reasons always not identical, been consigned to the limbo of the past. Some aver that the Cripps' Offer is as dead as Queen Anne. Others, including some British Cabinet Ministers, have affirmed that the British Draft Declaration, though formally withdrawn by Sir Stafford Cripps on April 11, 1942, before he left India after confessing the failure of his mission, is still valid. Whatever may be the present and future controversies, Sir Stafford Cripps' declaration that the future Indian Union can repudiate British commercial investments in our midst, is bound to be the acid test which would determine Indo-British trade relationships today and tomorrow. Lancashire, the City of London and Calcutta's Clive Street have since the departure of Sir Stafford Cripps done everything in their power to water down the implications of the Draft Declaration relating to the commercial subjects as amplified orally by the Lord Privy Seal. Lord Catto, that superman from Clive Street who recently became the Governor of the Bank of England, had strenuously sought in 1943 to nullify the effect produced by the Crippsian interpretation of the Draft Declaration relating to the future of British commerce with and in India, producing a contemporaneous outburst from patriotic Indians at the heinous implications of any possible breaking of the plighted word of the United Kingdom as spoken by Sir Stafford Cripps. It is clear that whatever constitution India might have in the future, there cannot be any question that British merchant men in this country will be allowed to continue their monopolistic activities based upon two centuries of political domination, a ring-fence which even our completely national will to sovereignty cannot pierce at any conceivable date in the future. Britons in India have the scope for commerce and merchandising, but not with special privileges which even properly-constituted legal national minorities do not have even under the most highly developed forms of democratic society in any part of the world.

TARIFFS AND OVERSEAS TRADE

No consideration of India's foreign trade can be complete without an examination of the fiscal and tariff policies of the Government of India in the post-war period, whether or not India were to attain national sovereignty, compelled to adhere to Imperial Preference, obliged to trade multilaterally, or arrange her

export and import trade on the firm principle of mutuality as between one country and another in a bilateral manner. There cannot be any meaning for Indian freedom in the political sphere without freedom for fiscal and tariff action, not only for the main purpose of fostering Indian industry but also for the purpose of adjusting our overseas trade in a manner conducive to our national interests.

The three conditions for tariff protection which were laid down in the Majority Report of the Fiscal Commission of 1922, which were accepted by Government of India in the succeeding year, as constituting the fiscal policy of this country during the past twenty years, are as follows:—

1. Industry must be one possessing natural advantages, such as abundant supply of raw material, cheap power and sufficient supply of labour or a large home market. Such advantages will be of different relative importance in different industries, but they should all be weighed and the relative importance assessed. The successful industries of the world possess certain comparative advantages to which they owe their success. No industry which does not possess such comparative advantages will be able to compete with them on equal terms, and, therefore, the natural advantages possessed by Indian industry should be analyzed carefully in order to ensure as far as possible that no industry is protected which will become a permanent burden on the community.

2. The industry must be one which without the help of protection either is not likely to develop at all or is not likely to develop so rapidly as is desirable in the interests of the country. This is an obvious corollary from the principles which have led us to recommend protection. The main object of protection is either to develop industries which otherwise would not be developed or to develop them with greater rapidity.

3. The industry must be one which will eventually be able to face world competition without protection. In forming an estimate of the potentialities of this condition being fulfilled, the natural advantages referred to in condition (1) will, of course, be considered carefully. The importance of this condition is obvious. The protection we contemplate is a temporary protection to be given to industries which will eventually be able to stand alone.

To arrive at this position in our fiscal and tariff policies it took John Company and His Majesty's Government well nigh one hundred and fifty years, not because they were at all genuinely anxious to leave with India her legitimate rights to regulate her fiscal and tariff policies, but because Indian public opinion was insistently clamant. Even in these three conditions laid down in the Majority Report for the Fiscal Commission, which had become the fiscal gospel of the Government of India during inter-

war period, there is an element of unreality in so far as, in the ultimate analysis, protection had to be given to Indian industry, in order that a *regime* of free trade, particularly with reference to the fortunes of British overseas export trade, is re-established in the most innocuous but definitely significant manner.

A statistical analysis of some of the results achieved under what has been termed Discriminating Protection during the past twenty years, is indicated by the following table:

Results of Protection

	Steel (ingots	Cotton Piecegoods	Sugar (direc from cane)	Match	Paper
	1,000 tons	Million yards	1,000 tons	Gross (lakhs)	1,00 tons
1922-23	131	1,725	24	8	24
1939-40	1,070	4,013	1,242	220	70

Questions have cropped up from time to time concerning the burden of Protection to the consumers of this country. Nationalist India was never unmindful of the impingement of Protection on the economic margins of the small man, who constitutes the backbone of the population of the country, but was not unwilling to give the opportunities needed in order to bring India to toe the line of modern industrial progress, so that her economic survival might be ensured on a sound basis. No statistical appraisal has been made, since not possible, of the economic burden of Protection upon the community. But it is clear that the growth of industry under discriminating protection, as illustrated by the above table, has automatically led to an improvement in the *per capita* income and the standard of living of the community, with the result that, generally speaking, the burdens of discriminating protection were neutralized in the fullness of time, with reference to every specific industry which received such protection.

A recent investigation by Dr. John Matthai, who was for years President of the Indian Tariff Board and who was subsequently the Director-General of Commercial Intelligence and Statistics with the Government of India (*Tariffs and Industry*, No. 20 of the Oxford Pamphlets on Indian Affairs) has yielded certain conclusions of far-reaching importance relative to the progress of Indian industry and also to the future course of our foreign trade. Dr. Matthai concluded that "it is a legitimate inference* that the fiscal autonomy provided by the Convention lacks substance." Examining the three conditions laid down by the Fiscal Conven-

tion, Dr. Matthai has a series of important observations to make. Referring to the natural advantages clause, he said: "In recent years the Government of India have placed a more rigid interpretation on this condition and have insisted that the principal raw materials required for the industry should be available in India before Protection can be granted," and bewailed the fact that in earlier years the Government were more liberal in their interpretation of this condition, which in recent years had become "neither fair to Indian interests nor justified by economic considerations."

The progress of industrialization under the stimulus of war during the past six years, and its further augmentation under a *regime* of planning on which both the Government and the people are agreed in principle, naturally demand in future a very large increase in the import of machinery and chemicals required by industry, while there is also to be a heavier demand than before for several articles, especially luxury articles, which will naturally be paid for by the increased national income which industrial expansion implies and ensures. Thus, industrial expansion and tariff policy become entangled, though every one in this country agrees with Dr. Matthai that "it is likely that in the next few years Protection will assume less importance in the economy of the country than it has done in the past," and that, in any case, in the immediate post-war period "protective tariffs are not likely to play an important *role* in our industrial policy." Dr. Matthai lays down, in conformity with competent and advanced opinion in India, that "no trade agreement which is likely to limit her freedom to develop essential industries can be accepted by her at the present stage of her economic development."

A peep into the future is likely to emphasize two or three important points with reference to India's overseas trade.* India

* The International Business Conference, to which a purely non-official Indian delegation of businessmen was sent from this country, concluded its sittings at Rye, New York State, in November 1944. Unlike at Bretton Woods, the Indian delegation put across for the information of world opinion the true Indian case.

Mr. G. L. Mehta, the Deputy Leader of the Indian Delegation, told the world that Britain can have a settlement now with Mahatma Gandhi, if the British people are really desirous of such a consummation of Indo-British relationships, on which hinges the solution to the manifold economic and financial problems of India.

Sir Chunilal B. Mehta, the Leader, and others in the Delegation emphasised the following points: that India would resist the proposition that world currencies, including the Rupee, should revolve round the contemplated dollar-sterling axis; that Indian industrialisation is not autarchical in character, but would be prepared to co-operate with the rest of the world on the basis of national self-sufficiency; that price-cutting in the Indian market, even for war-effort purposes, on the basis of international cartels, should not continue; that capital goods must be forthwith made available to India, while consumer goods need

might become, for some time at least, a net importing country, with almost a free market for capital goods needed for industrial expansion and a favourable import policy towards consumer goods of types which are either not actually produced in the country or produced in insufficient quantities. As industries develop further, the need might arise for a policy of high and restrictive tariffs, banning entry of consumer goods which are competitive to similar goods produced in this country, and when industrial expansion stabilizes itself the pendulum might swing to the other extreme and a policy of restriction of the import of capital goods might be resorted to in the national interest. But, there cannot be any question that tariff action must be essentially related to the problems of Indian industrial expansion, which alone can give us a guarantee of a balanced national economy, in which the raising of the standard of living and comfort of the masses is ensured, and India's place in the sphere of world economy and commerce stabilized. To sum up, India's foreign trade must be freed from the almost compulsory artificial checks and balances which British political domination has contrived to bring into existence. India's trade with almost every country in the world must be regulated on the essential principle of mutuality, meaning thereby that we give our best to those who give us most. Economic nationalism in India must be regulated in a manner which is not inconsistent with the general economic and commercial needs of the world, and for this the organization of a *regime* of plenty based on a balanced system of agriculture and industry progressing to the optimum extent must necessarily be created. India would resist for all time the well-understandable attempts of foreign vested interests in our midst and powerfully equipped industrial States in the world, to keep her down as a predominantly agricultural country supplying raw materials and becoming the dumping ground of manufactured goods. Economic nationalism has come to stay in India, but Indian economic nationalism would be such as would not endanger a world system, but which is capable of giving unto our country what is due to her, without any consideration for the economic and strategic requirements of Imperial Powers which want to dominate the world for their own individual benefit.

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not come in at all, unless otherwise specifically needed by the country; and that India, which has so far accepted obligations, commitments and responsibilities without corresponding rights, powers and advantages, is now keen on the establishment of her place in the economy and trade of the world in which her own national needs find sufficient emphasis and scope.

The Leader of the British Delegation promptly sought to put in his caveat about the manner in which purchases in India are being made during these war years, and London messages, which adverted to the stir created in Anglo-American Big Business circles, suggested that the United Kingdom would not depart from her policy of Imperial Preference until the U.S.A. and other countries in the world adopt lower tariffs, abolish cartels etc. The conviction is growing in India, that the United Kingdom is now taking us back to the system of things prevailing at the end of the XIX century.

CHAPTER IV

INDIANS OVERSEAS

Indenture System—Emigration Law—Kangani and Mistri Systems—Free Emigration—Opposition Of Indigenous Inhabitants—Miscegenation Problems—Struggle For Political Power—Ceylon and Malaya—African Countries—Mauritius and Fiji—Caribbean Zone—Government of India And Indians Overseas—Future of Indians Overseas

From the viewpoint of the progress of human civilization, the expansion of India in the historic times and the effect of the cultural and emotional side of our national existence on countries beyond our territorial borders, deserve a high place in the saga of man's achievement during the ages. I have seen with my own eyes the remarkable vestiges of the cultural and religious achievements of Indian missionaries and adventurers in Siam and Cambodia, including the marvels of architectural achievement at Angkorwat, which are permanent testimonies to the lasting influence of the liberalising overseas mission and work of ancient Aryavarta.* The Epic Age in India was responsible for the creation and destruction of numerous civilizations beyond our geographical borders. From Korea to Bali, and from the Shan States to the tip of Singapore, cultural India built up her kingdoms, and Aryavarta claimed millions and millions of outsiders as adherents to her fold during the course of the historic period. Nations were made and unmade, civilizations uprooted and rehabilitated, and the proud galleons of India, plying different pennants from time to time, ploughed the seven seas with a picturesque thoroughness which is not easily obtainable even in this mechanically advanced age of ours. Indian communities settled down in almost every Asiatic country—Burma, Malaya, Sumatra, Java, Bali, the southern and eastern extremities of China, definitely Korea, possibly the Philippines and, as the latest ethnological proofs show, Fiji, while their westward expansion into the Dark Continent, and the Near and Middle East, was also a fundamental fact indicating the progress of the inter-relationship of cultural and racial movements long before Christ was born. But this is not the aspect of the expansion of India with which we are concerned in this book, even though from the viewpoint of obtaining a bird's-eye conspectus of the rise and decline of human progress and civilization there cannot be, I am convinced, a more picturesque chapter of

* See my illustrated article, 'Siam past and present," in the *Modern Review*, July, 1934.

human endeavour than the early colonisation schemes of Hindu religious missionaries and adventurers.

Roughly speaking, there are today 4,000,000 Indians settled in almost every corner of the globe and almost under every possible climate, of which the British Empire claims some 3,500,000 Indians. That is to say, for every hundred Indians in India there is one Indian resident abroad, and the history of Indians overseas spreads over a century, in the making of which the British polity, an imperial organization, played a very conspicuous part.

The abolition of slavery in the British Empire in 1832 coincided with a period of terrific economic and productive activity in the newly discovered tropical and semi-tropical colonies of the European powers. The manumitted slave, whether he was in the West Indies, in South Africa, or in any other part of the world, at once regressed back to his nomadic stage, and became definitely restive and uneconomic from the viewpoint of the new exploiters from Europe of the tropical belt of countries which passed under the White Man's sway during the early decades of the last century. Closely following in the wake of the abolition of slavery in the British Empire, the French National Assembly abrogated the *Code Noir*, or the "Black Code," regulating the law, economic status and general social setting of Negro labour within the French Empire. The liberation of the slave and the enslavement of the Indian, at any rate as far as Indians overseas problems are concerned, were contemporaneous, and must be described as briefly as is possible within the framework of our scheme of study.*

INDENTURE SYSTEM

The origin and growth of Indian emigration overseas and the organized form which ultimately developed into what was known as the Indenture System till 1920, constitute perhaps the most terrific indictment of the theory of the "White Man's Burden," and the late Gopal Krishna Gokhale very aptly characterized this as "a monstrous system, iniquitous in itself, based on fraud and maintained by force, a system wholly opposed to modern sentiments of justice and humanity, and a great blot to the civilization of any country that tolerates it."

The late Lord Olivier, in his *White Capital and Coloured Labour*, first published in the Socialist Library in 1909, drawing upon his official experience of the West Indies countries, described indenture in the following terms:—

"It is notable that the West Indian Negro thinks the *coolie* more of a slave than we do. That is because the economic con-

* See my study entitled "International Aspects of Indian Emigration," in the *Asiatic Review*, London, October, 1930, *et sqq.* later printed in book form, London, East & West Ltd., price 2s. 6d. net (1930).

ditions of his life are freer than those of our proletariat, who take themselves, as a rule, as the type of free man, and his standard of independence so much the higher. He would quite understand why the Socialist calls our freedom 'wage slavery.' The protection by the State of indentured labour in the colonies is not yet a democratic domestic compulsion; it is a paternal and humanitarian compulsion; it is imposed from without by the statesmanship of the Indian and British Governments."

As Mr. Henry Polak, a collaborator of Mahatma Gandhi in South Africa towards the end of the last century, aptly put it, indenture was a form of social contract in which the balance of advantage always entirely lay with the employer. The contract may be described as almost impersonal in so far as the Indian labourer was concerned, in that his rights, if any, were the rights of a chattel, which can be transferred or bandied about by the employer without any reference to the convenience and needs of the chattel itself.

The indentured labourer remained under the personal jurisdiction of the master. In fact, the prerogative of the master far exceeded his contractual rights. This essentially unfair system was recognized by the Government of India as well as by the various foreign governments. Under the close grip of the indenture system, a vast proportion of Indian emigrant communities had been built up. In the event of the original contract of indenture expiring, the labourer was usually re-indentured, and even the progeny of the labourer was brought under the very ambit of this most obnoxious law. The greater proportion of Indians settled overseas, particularly those in distant lands like Fiji, South Africa, and the West Indian group of Colonies such as British Guiana, Trinidad, and Jamaica, are the progeny of forbears, whose lives for generations together were spent in this vicious atmosphere of lack of personal liberty and of economic and political freedom. If today Indians overseas make an attempt to rise themselves up to the full stature of emancipated humanity, then surely one hundred years of effort of this character must constitute an inspiring saga of unremitting endeavour on the part of the hundreds of thousands of Indians all over the world.

This is the legal and social basis of the system of emigration which deliberately grew up between India and various parts of the world during the past hundred years, under the direct supervision and responsibility of the Government of India, who took their instructions more from the City of London than from the articulating mouth-pieces, if any, of the people of India, even before the British Crown assumed responsibility for the good governance of this country from John Company.

The Ceylon planting community petitioned colonial authorities "to increase the agricultural population which *will not* keep pace with the rapidly multiplying wants of the landed proprietors." In Mauritius, during the same year, the cry went up that the economy

of the island could not be managed with purposiveness, unless cheap and efficient and, most certainly, docile labour was introduced from overseas. In 1859 the Corporation of Durban—where today the most disgraceful scenes in the relationships of the White-man and the coloured peoples are being enacted with reference to the Pegging Act—petitioned the Governor of Natal in the following manner: "Independently of measures developing the labour of our natives, we believe your Excellency will find occasion to sanction the introduction of a limited number of coolie or other labourers from the East in aid of the new enterprises on the coast lands, to the success of which sufficient and reliable labour is absolutely essential; for the fact cannot be too strongly borne in mind that on the success or failure of these rising enterprises depends the advancement of the colony or its certain rapid decline. Experimental cultivation has abundantly demonstrated that the issue depends solely on a constant supply of labour."

Asiatic labour was tried at various sources. Successive steps to introduce Chinese labour into Ceylon proved a failure. Even attempts at the agricultural colonization of Chinese families were of no avail. Frantic measures to introduce the newly manumitted slaves of the east coast of Africa into Ceylon also met with a similar fate, and the orgy of land speculation, which the Colonial Offices of the various European Imperial Powers permitted in the newly acquired tropical lands, made it almost imperative that a steady supply of cheap labour was made available to the buccaneers of the White nations, who today rule and enjoy the fruits from possibly almost every strip of productive land on the face of the earth with such non-chalance.

Indian emigration overseas can be classified as of being British or foreign. There were thirteen British colonies, five French colonies and one Dutch and one Danish colony to which organized emigration was at one time or other sanctioned by the Government of India. In the historical process of the past one hundred and ten years, the fortunes of Indians overseas in all these countries varied with the varying stages in the economic and political status of the countries concerned. A classification of colonies, particularly British, is of immense interest from the viewpoint of the material well-being of the Indian emigrant today. As a general rule, the greater the degree of representative government enjoyed by the colonies (or ex-colonies, now called Dominions), the greater the amount of difficulty experienced by the Indian settler. In retrospect, it must be admitted that the control of the British Colonial Office, or for that matter the Colonial Offices of other Imperial Powers into whose countries Indians were introduced during the preceding century, proved as a check to the unbridled freedom of the White masters of the colonies to deal with the Indian chattel, represented by the indentured Indian emigrants, who were literally shipped across from the Mother Country for the purpose of compelling them to go through the perilous adventure of sojourn in foreign lands.

The group of Crown colonies in which the Crown has the entire control of legislation, while the administration is carried on by public officers under the control of the Home Government, obviously comes first in this classification. British Guiana, Jamaica, and Mauritius are illustrations of this group. The second group consists of eolonies possessing representative institutions, in which the Crown has only a veto on legislation, but the Home Government retains the control of public offices. Leeward Islands, Windward Islands, the Straits Settlements, Fiji and Ceylon belong to this class. The next group includes overseas Dominions with responsible Government, in which the Crown, though nominally possessing the veto on indigenous legislation, leaves the Home Government powerless to exercise administrative control. Even this veto has been dropped since the passage of the Statute of Westminster. The Union of South Africa, Canada, Australia and New Zealand constitute examples of this category, while the Dutch colony of Surinam (Dutch Guiana), which has about 50,000 Indian settlers today, may also be grouped into this category.

A geographical classification of colonies to which Indian emigration was permitted at one time or other is also of some interest to this study, and indicates the manner in which our 4,000,000 nationals overseas have spread out literally to almost every nook and corner of the earth's surface. The countries of the Indian system include Ceylon, the Federated Malay States and Straits Settlements, and Burma. Fiji and New Caledonia constitute the colonies of the Pacific Ocean. The third group of colonies of the South Indian Ocean, includes the Union of South Africa and East Africa in general, Mauritius and Reunion. Among the West Indian and American colonies where Indians are settled, the British group includes British Guiana, Trinidad, Jamaica, Granada, St. Vincent, St. Lucia, St. Kitts and Nevis, while in the countries under non-British occupation claiming Indians as immigrant citizens Surinam or Dutch Guiana takes the pride of place, while St. Croix, Guadelope, Martin'que and Cayenne received at one time or another numbers of Indian emigrants with varying importance. Besides these colonies to which indentured emigration was legal at one time or another, there are at the present day a considerable number of Indian settlers in British Columbia (Canada), California (U.S.A.), Mexico, Cuba, Brazil, Gibraltar, Hongkong, New Zealand and other places.

EMIGRATION LAW

The law regarding the emigration is contained in the Indian Emigration Act of 1877, which superseded earlier Acts of 1839 and 1869, and the rules thereunder regulating emigration from the ports of Calcutta, Madras and Bombay, together with the conventions which were entered into between His Majesty's Government in England and the Government of the Republic of France in 1861, with the Government of Denmark in 1863 and the Government of Holland in 1870. Numerous legislative enact-

ments were passed amending this Act of 1877 and introducing several provisions which were calculated to improve the moral and material welfare of the Indian emigrant abroad. There were five amendments to the Emigration Law of India between 1819 and 1908, the Act XVII of 1908 being a Consolidating Act. Further enactments, such as Act XIV of 1910, the acceptance by Lord Hardinge of the resolution moved by Pandit Madan Mohan Malaviya in the old Imperial Legislative Council urging abolition of the Indenture System in 1916, and the tremendous amount of public opinion created in favour of the abolition of this Indenture law through the strenuous efforts of the late Dinabandhu C. F. Andrews, the late Gopal Krishna Gokhale, Mr. Henry Polak and Mahatma Gandhi himself, who, on his return from South Africa, threatened to launch in India the first campaign of passive resistance if this law were not withdrawn, bring up the series of developments which ultimately led to the abolition of Indenture in this country by Lord Hardinge in 1922.

In a despatch to the Secretary of State in 1877 the Government of India, enunciating their policy towards indentured emigration, described it as a policy of seeing fairplay done between the parties to a commercial transaction, whilst altogether abstaining from the bargain. They claimed that they were towards the Indian emigrant in the position of a protector of the weak and ignorant, bound to supply their deficiencies with the fuller knowledge available with the authorities at Calcutta, so that, as far as possible, the indentured emigrant might be placed on a footing of equality with the more robust races in the land of his sojourn abroad. The despatch proceeded: "Colonial Governments appoint persons of approved character to conduct emigration on their behalf from the Presidency towns of India. These agents employ recruiters, of whose responsibility they are required to convince the Government protector of emigrants; these recruiters persuade persons to emigrate and take them before the magistrates, who register the engagements. The recruits are then conveyed to Calcutta, Madras or Bombay, where they are housed under the immediate care of the emigration agent in depots which have been licensed as fit places for the collection of emigrants by the Protector. They are thence shipped on board vessels, which are also licensed, care being taken that they are equipped in every respect with what is needed to ensure the safety of the passengers on their long voyage; and there the direct concern of the Government with the transaction ends."

It will be seen that when once the Government of India washed off the responsibility with respect to the Indian emigrants overseas under this pernicious law of Indenture, there was nothing to prevent the White colonial exploiters of the countries belonging to the tropical belt of the world to keep our nationals in subjection—economic, political and legal—from generation to generation. This fundamental factor in the community and personal life of Indian emigrants during the past hundred years

must be remembered in any study of the present-day problems facing four million nationals of ours in every part of the world these days.

The abolition of the Indenture System did not establish the free status and function of every individual Indian resident abroad, who was sent out, or rather was forcibly taken out, in the language of Gopal Krishna Gokhale, under the direct responsibility of the Government of India and settled abroad. It will be seen later how, in the long process of the struggle for existence, Indians overseas fought a perpetual battle with their backs to the wall against not only the powerfully equipped White masters but even, for that matter, with the indigenous populations of the various countries of the world in whose midst they were thrown willy nilly by the Colonial Governments and the Government of India. In at least the six or seven countries I have myself visited studying this question on the spot, I have been weighed down with the impression that today the Indian resident abroad is not wanted not only by the White masters, who originally took him over to the countries concerned, but even by the Mulatto and Creole of British Guiana, the Kandian Sinhalese of Ceylon, the Malay of the Federated and the Unfederated Malay States, the Burman agricultural farmer from the Irrawaddy plain, and the Fijians who are still just emerging from the social and economic and political set-up of the bush. If today Indian residents abroad are not wanted either by the colonial administrations, their White masters or the indigenous inhabitants themselves, it must be admitted that it is entirely due to a lack of the sense of appreciation of the enormous economic contribution made by them for the building up not only of the community life of the countries concerned, but also of their very national economic and financial existence. I have always felt frankly that two honourable courses are available for the Government and the people of India about these stupendous problems of Indian nationals overseas. Either the Government of India extract the pound of flesh from the governments of the various countries where our nationals are resident today, or they repatriate to the Motherland these four million Indians abroad and place them back into the social and economic fabric of our own country. Since I know that the latter course is absolutely impossible, I cannot but emphasise the point that without a strong national government in this country, with effective sanctions behind it and sustained by public opinion, it will not be possible for us to get for our nationals abroad their just economic and political rights.

KANGANI AND MISTRI SYSTEMS

Apart from indentured emigration overseas, problems arising out of which occupy such a very important place in the domestic arrangements of South Africa, Fiji, Mauritius and the West Indian group of British colonies and Surinam (Dutch Guiana), there is another set of problems which will have to be dealt with separately at the present juncture. What I have described above

as the colonies of the Indian system, *viz.*, Ceylon and Malaya (before the Japanese Occupation) and also Burma till 1942 (before the Japanese Occupation) today give shelter to two and a half million Indians, whose history has been shaped in a manner not exactly identical with the history of Indian Indenture overseas, but whose existence constitutes a problem of international import parallel to that of Indians resident either in the Pacific, the New World, or the Dark Continent.

The predisposing factors determining the fortunes of these two and a half million Indians in countries flanking the Bay of Bengal are the facts that till 1802 Ceylon was governed from Madras, that Malaya had a continuous concourse of contact with India for centuries together, and that Burma was a part of the Indian administrative system till only yesterday. Indian emigration to these countries had been going on for centuries together, certainly even before England conquered and ruled over them. There were traces of Indenture with reference to organized emigration to Ceylon and Malaya, in particular, towards the end of the last century and early in this century, but the system of emigration to these countries must be described as one of a series of cross-sea movements of Indian workers who periodically visit the Mother Country, only leaving behind small accretions to the permanent population of the lands of their temporary sojourn. In the case of Ceylon and Malaya, the greatest concentration of Indian labour, which incidentally forms the biggest slice of the Indian resident population, is on the tea and rubber plantations. In the case of Burma, Indian labour is more or less of a casual type, either employed in the Rangoon harbour or dispersed all over the Land of Pagodas in agricultural operations of a seasonal character. In addition to Indian emigrants of the labour classes whose fortunes in these three countries formed a primary responsibility of the Government of India, there are compact groups of non-labouring Indians, including a fair sprinkling of bankers, merchants, retailers and hawkers whose place in the internal trades of Ceylon, Malaya and Burma must be considered to be vital to the very economy of the lands concerned, and also a considerable number of domestic servants, whose fortunes must also be remembered in the present connection.

With reference to Ceylon and Malaya the early fading out of Indenture only resulted in another system of recruitment and despatch of unskilled agricultural labour from this country under the supervision of the Government of India and the Colonial Governments. It was a system controlled and operated by a *kangani* (the Tamil equivalent of a labour headman), who is not only supposed to be the leader of the labour corps gathered and sent across under Government supervision, but who is also the principal agent for the recruitment and placing of Indian labour abroad for the Indian and the Colonial Governments concerned.*

* See my paper on "Indian Labour in Ceylon" in the *International Labour Review*, Geneva, March, 1931.

The Ceylon Labour Commission of 1908 described the system as follows:—"This system is of a purely patriarchal character, in its origin and principles. The *kangani*, or the labour headman, was in the beginning and still is in a large number of older and more solidly established estates, the senior member of a family group composed of his personal relatives, to whom may be added other families drawn from villages in Southern India from the vicinity of which he and his relations also come. The labour force thus formed is sub-divided into a number of small groups, each under its patriarch, the sub- or *silara-kangani* and the family principle is further manifested in the groups which are under these minor headmen, a man with his wife and children and, it may be one or more close relations, assuming joint responsibility for advances made to them, and holding their earnings in some sort in common."

I have spent a series of years studying the problems on the spot in Ceylon, Malaya and Burma of this type of emigration, which was known as assisted emigration under Act VII of 1922, which the Government of India passed after the abolition of Indenture and which today regulates the emigration, either assisted or even unassisted, of unskilled agricultural labour from India to the countries of Indian colonial system. The patriarchal bias of Indian emigration of this character must today be stated to be ephemeral, even though the *kangani* in respect of Ceylon and Malaya still draws his labour force from areas which are contiguous to his original place of residence in South India. As a result of the enquiry ordered by the Government of Madras, known as the Marjoribanks-Marakkayar Committee, the so-called *tundu* system was replaced by the discharge-ticket system, under which personal freedom was restored to the Indian agricultural labourer on the tea and rubber estates, and the principle enunciated that no Indian labourer working on any plantation in Ceylon can be sued for civil debt. Under the act of 1922, Indian Agents have been appointed in Ceylon and Malaya and their watchful scrutiny of the fortunes of these labourers has undoubtedly contributed to improvement in the material well-being of our nationals. But even today it must be said, without any fear of contradiction, that hundreds of thousands of Indian labourers in Ceylon and Malaya are almost cooped up into what I may call plantation pens, zealously guarded by the employer, and I recall several instances when I was prevented from entering the estates lest I should contact these working men of ours settled in Ceylon and Malaya.

There is one distinguishing feature between the system of emigration permitted under the Act of 1922 with respect to Ceylon and Malaya until its suspension very recently, and the cross-sea movements of Indians between the Mother Country and Burma. Till 1937 Burma was but a province of India, with the result that there were no regulations properly governing the cross-sea movements or trans-border movements of Indians into Burma and back

Thus, the position is arrived at in which the progressive reduction of imports into India from the United Kingdom and the Commonwealth group of countries and the emphasis on a well-regulated direction and flow of Indian export trade to these countries, thanks largely not only to the fact that India belongs to the sterling group but also because due to wartime necessity the control of shipping is in British hands, are established. The moment war is over, the primary concern for India is to see re-established trade relations with ex-enemy countries both to the East and to the West; to maintain the dominant position she has obtained particularly in the near and middle eastern countries and also possibly in respect of the U.S.S.R. (whose trade with us has been augmented owing to well-understandable reasons); to open out channels to preferred markets like those of Burma; and to wriggle out as much as possible from the grip of economic hegemony which the United Kingdom maintains on this country, not for the purpose of cutting the nose, so to speak, to spite the face, but with a view to ensuring the natural fanning out of our overseas trade as a factor stabilizing India's economy and India's place in the world in general. This is a task which is formidable, more formidable because as yet we do not possess the semblance of a National Government, which can take in its hands the regulation and direction of our overseas trade in a manner which will completely subserve our national requirements, without at the same time, striking a discordant note in any *regime* of international trade which is to be established after peace arrives.

Percentage Trade Of India To World Trade*

	Imports	Exports
1929	2.6	3.6
1932	2.5	2.8
1935	2.4	3.0
1936	2.1	3.3
1937	2.5	3.7
1938	2.6	3.4

*Based on the figures of world trade in 1939 Edition of the *Review of World Trade* (in 1937 and 1938 the percentages of Burma and India have been included.)

ATLANTIC CHARTER AND MUTUAL AID

Fiscal and tariff policies are well-known instruments in the hands of Governments for the regulation of export and import trade and, in spite of the havoc which fiscal and tariff action had created during the inter-war period particularly with reference to the activities of powerfully industrialized countries of the Continent, the U.S.A. and even Japan, they are bound to remain valuable instruments in the hands of India to ensure her economic survival in the post-war competitive system which is, on all grounds, bound to be extremely cut-throat in its character. This statement must be considered to be valid despite the existence

of the Atlantic Charter of August, 1941, and the Anglo-American Agreement of February 23, 1942. Article IV of the Atlantic Charter enshrines the principle that "the signatories will endeavour, with due respect for their existing obligations, to further enjoyment by all States, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity." The tragedy is that for three years British statesmen refused to concede the application of the Atlantic Charter to this country, and in any case the Charter under this particular vital Article does have *respect for the existing obligations* of the signatory powers, meaning thereby the spheres of influence and economic domination which the United Kingdom and the U.S.A. in particular, have over vast tracts of territory sprawling to almost every corner of the world involving the economic fortunes of over one thousand million people (including the people of China as and when China becomes liberated).

The Mutual Aid Agreement, under Article VII, while emphasizing the need "to promote mutually advantageous economic relations within them between the United Kingdom and the U.S.A. and the betterment of world-wide economic relations," declared in favour of "agreed action by the U.S.A. and the U.K., open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic matters of production, employment, and the exchange and consumption of goods which are the material foundations of the liberty and welfare of all the peoples to the elimination of all forms of discriminatory treatment in international commerce and to the reduction of tariffs and other trade barriers and in general, to the attainment of all the economic objectives set forth" in the Atlantic Charter. These are high-sounding international principles, but countries like India have no relation to them. In any case, the economic and trade rivalries which obtained insistence in the liberated territories of Africa, in the Near and Middle East and even in India herself, as between the U.S.A. and the U.K. during the past two or three years, indicate a portent of tremendous significance to people like us who do not have in their hands the instrument of national sovereignty which is a vital means for providing the solution to our economic and political troubles. To be told that India would participate in the pool of international action which Anglo-American direction is bound to bring into existence after peace, for the promotion and sustenance of international trade in a non-discriminatory manner, would make even the most ardent pro-British Indian sceptical. One thousand crores of sterling credits in the name of India are now locked up in London almost in a death vice, which the ingenuity and political and economic power of Great Britain had been able to create, and until these growing sterling balances, which represent the product of the sweat and toil of nameless millions of Indians who have willy-nilly supplied the grist to the mill of Allied war effort, are released and permitted to be utilized for the purchase

as the colonies of the Indian system, *viz.*, Ceylon and Malaya (before the Japanese Occupation) and also Burma till 1942 (before the Japanese Occupation) today give shelter to two and a half million Indians, whose history has been shaped in a manner not exactly identical with the history of Indian Indenture overseas, but whose existence constitutes a problem of international import parallel to that of Indians resident either in the Pacific, the New World, or the Dark Continent.

The predisposing factors determining the fortunes of these two and a half million Indians in countries flanking the Bay of Bengal are the facts that till 1802 Ceylon was governed from Madras, that Malaya had a continuous concourse of contact with India for centuries together, and that Burma was a part of the Indian administrative system till only yesterday. Indian emigration to these countries had been going on for centuries together, certainly even before England conquered and ruled over them. There were traces of Indenture with reference to organized emigration to Ceylon and Malaya, in particular, towards the end of the last century and early in this century, but the system of emigration to these countries must be described as one of a series of cross-sea movements of Indian workers who periodically visit the Mother Country, only leaving behind small accretions to the permanent population of the lands of their temporary sojourn. In the case of Ceylon and Malaya, the greatest concentration of Indian labour, which incidentally forms the biggest slice of the Indian resident population, is on the tea and rubber plantations. In the case of Burma, Indian labour is more or less of a casual type, either employed in the Rangoon harbour or dispersed all over the Land of Pagodas in agricultural operations of a seasonal character. In addition to Indian emigrants of the labour classes whose fortunes in these three countries formed a primary responsibility of the Government of India, there are compact groups of non-labouring Indians, including a fair sprinkling of bankers, merchants, retailers and hawkers whose place in the internal trades of Ceylon, Malaya and Burma must be considered to be vital to the very economy of the lands concerned, and also a considerable number of domestic servants, whose fortunes must also be remembered in the present connection.

With reference to Ceylon and Malaya the early fading out of Indenture only resulted in another system of recruitment and despatch of unskilled agricultural labour from this country under the supervision of the Government of India and the Colonial Governments. It was a system controlled and operated by a *kangani* (the Tamil equivalent of a labour headman), who is not only supposed to be the leader of the labour corps gathered and sent across under Government supervision, but who is also the principal agent for the recruitment and placing of Indian labour abroad for the Indian and the Colonial Governments concerned.*

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There is one distinguishing feature between the system of emigration permitted under the Act of 1922 with respect to Ceylon and Malaya until its suspension very recently, and the cross-sea movements of Indians between the Mother Country and Burma. Till 1937 Burma was but a province of India, with the result that there were no regulations properly governing the cross-sea movements or trans-border movements of Indians into Burma and back

to India. Still as far as labour recruitment and transport into Burma are concerned, there was a crude *mistri* system, in which some of the worst features of the so-called patriarchal system of recruitment with reference to Ceylon and Malaya made themselves manifest, with the result that I, as a member of the Burma Indian Labour Deputation of the Government of India in 1935, was obliged to make the following declaration:—"Such being the case, we as responsible labour men on either side of the Bay of Bengal, admit that until the family system of the Indian labourer in Burma is rehabilitated, and until some sort of a permanent settlement scheme is evolved, inaugurated and sustained, the *mistri* in Burma may have to continue during an interim period, which alone can make a socio-economic readjustment in that country possible. But we want it to be made emphatically clear that, in making the above statement, we are not upholding the system, nor are we absolving its many malpractices. The system is essentially vicious, but as realists and practical workers we recognize this *interim* period as a necessary evil. This *interim* period should not be too long."

Two years after this memorandum was written, Burma became for all ostensible purposes a country independent of India, but the *mistri* system continued, and possibly continues in some shape or form even under Japanese Occupation today.

The abolition of the patriarchal type of recruitment with reference to Ceylon and Malaya, and the abolition of *mistri* system with respect to Burma, are conditions precedent for the ultimate liberation of the position of our emigrant workers in these countries, and in any case must remain the basic factor governing the resumption of the renewal of emigration from India to these countries of the Indian System after the War is over and after Malaya and Burma regain their freedom. A system of voluntary colonization, under which the emigrant labourer is permitted and enabled to take out with him his wife and children to settle down in the countries which require his labour, is perhaps the most ideal system which can be adumbrated on the basis of the experience gained by this country during the past several decades. Such was the system of labour emigration and settlement which Japan, to my personal knowledge, enforced on a country like Brazil before the outbreak of the present international hostilities. India would never tolerate the perpetuation of any system of exploitation of our workers who go out of their homeland at the invitation of the colonial or dominion or foreign governments and, however much one might try to sugar-coat the pill, it is clear that until Indian resident workers overseas have their legal and political status assured, their freedom of contract ensured through recognition of their rights to combination and association, and given opportunities for becoming parts and parcels of the united life of the countries to which they are taken, there is no possibility for India ever agreeing to the resumption of organized emigration. While she is already faced with the distressing legacy

of indenture in South Africa, the West Indies, and Fiji, India can never have an extra desire to create a new set of problems, in any case in the wake of those to which we are already heirs, prior to the suspension of emigration to Ceylon and Malaya on account of the disputes between the respective governments and the Government of India concerning the vested interests of our nationals there, or with reference to Burma which is today under Japanese Occupation and which awaits Liberation tomorrow.

FREE EMIGRATION

The canvas covered by one hundred years of Indian emigration overseas cannot be considered to have been filled unless a cursory note is taken of what may be termed "free" emigration of Indians during the historical process. Motely but useful groups of petty shopkeepers and others migrated voluntarily to foreign lands to cater to the special needs of emigrant labourers, which could not be served either by the indigenous inhabitants or by the politically dominant races into whose midst they were thrown. Indenture had reduced the Indian workers to the status of serfs, and even the free emigrant merchant and storekeeper and small clerk and artisan, who went out of India, were gradually brought under the evil spell of this vicious system in a manner whose solid and baneful influences are visible to this day. This free emigration of Indians was a feature of Indian sojourn and settlement even during the days of Indenture in countries like South Africa and Fiji, where Indenture flourished with unabated vigour until its abolition after the last Great War. There are countries like Kenya with reference to which there was no Indenture or labour emigration at all. Mr. Winston Churchill, writing 35 years ago in his *African Adventure*, said with reference to East Africa as follows: "It is the Indian trader who, penetrating and maintaining himself in all sorts of places, to which no White man could go or in which no White man could earn a living, has, more than anyone else, developed the early beginning of trade and opened up the first slender means of communication." Another competent observer, Sir John Kirk, expressed the opinion that "but for the Indians, we should not be there now." The Parliamentary Committee, known as the Sanderson Committee, declared at the beginning of the present century that "the presence of a considerable number of Indian inhabitants has been and continues to be of material advantage to the British administration of the Protectorate." This link of free Indians which became such a very essential feature of early Indian emigration to countries accustomed to the economy of Indenture, gradually extended itself as Indians who were liberated from the first, second or subsequent periods of Indenture, and also as the children of the original Indentured emigrants, contrived to acquire the free status. With reference to Ceylon, Malaya and Burma, even assisted and unassisted Indian agricultural labourers, who went out under Government supervision or were under contract to the *mistri* had the sup-

port, collateral perhaps but definitely influential, of these free Indians, who took part in a significant manner not only in the provision of the day-to-day needs of Indian emigrants overseas but also in ensuring the development and maintenance of the internal trades in the lands of their permanent or temporary sojourn. Thus, the Indian trader is a vital link between the Bantu and the Kikuyu in the *Kraals* of South and East Africa. If today segregation is enshrined in the statute book of the Union of South Africa, it is only a recognition of the considerable economic and commercial status built up by Indians in the Union, with reference to the supply of the needs of the Africans, whom the Poor Whites, in particular, want to serve in the full process of time. Numerous competent British observers have repeatedly declared that the removal of the Indian trader from the vicinity of the African bush would mean a tremendous gap in the social set up of the Dark Continent, which contains 140 million Africans, who continue to be deliberately placed outside the pale of Western civilization by all the Imperial powers which have parcelled out that unfortunate continent by the end of the XIX century.

The same may perhaps be said with equal emphasis as regards the functions discharged by these free rings of Indians, meaning thereby wholesalers, retailers, petty shop-keepers in the interior and even hawkers, who made contributions of inestimable social and economic value to the indigenous inhabitants of Ceylon, Malaya and Burma or British Guiana, Fiji or, for that matter, every other country in the world where they happen to be at the present moment. To a certain extent the present-day troubles of Indians overseas, whether they be the descendants of the original Indentured emigrants, or the originally assisted and unassisted Indian agricultural labourers until emigration was stopped four or five years ago with reference to Ceylon and Malaya, are directly traceable to the envy created by the successful trading and economic functions performed by this class of Indians. The second Broome Commission, with reference to the alleged Indian penetration into predominantly European areas in Durban, sought to make out a case that it is the wealthy class of Indians, who, regardless of the general interests of the Indian community and other sections of the body-politic of the Union, have utilised their wealth in a manner detrimental to the economic and commercial security of the city of Durban. I may possibly accept this as a vague approximation to facts, but I know that the rights of a law-abiding citizen who acquires property by legitimate means can never be disputed by any fair-minded person.*

* For a general statement of my views on Indian emigration problems, see my book *"Indians Overseas,"* G. A. Natesan, Madras 1933.

OPPOSITION OF INDIGENOUS INHABITANTS

Indians overseas are, thus, generally speaking, beset with three sets of difficulties, whether they be descendants of labourers who went out under Government supervision till recently, or the free Indians who have gone abroad in pursuit of gainful employment and trade, first to cater to the needs of the compatriots and latterly also to take a very definite part in the economy of the lands of their adoption. In the first place, the indigenous inhabitants of these countries have come to appreciate the need for strengthening their own economic and social status, with the result that they have come to consider the Indian immigrants as potential and possibly actual competitors to their very economic heritage and equipment. The cry has gone up in recent years that the Indian emigrant labourer undercuts the wages of the indigenous inhabitants of Ceylon, Malaya and Burma, and I have myself come across an arrangement in the Port Trust of Rangoon where a Burmese labourer doing the same task as an Indian labourer gets possibly double the wages —a proposition which is highly objectionable in terms of the social contract. If at all Indian labour accepts lower wages in these countries, it is entirely due to the fault of the European employers, planters, commercial magnates, agricultural proprietors, for whose personal benefit these Indians have been taken out under the joint supervision of the Government of India and the governments of the countries concerned. I had always told my Sinhalese, Malay and Burmese audiences that the quickest possible method of meeting this particular contingency, if such a contingency at all exists, is to bring in statutory minimum wages for Indian labourers, of an order which will have some basis of comparison with the wages levels prevailing for the benefit of the indigenous inhabitants.

Until labour is treated as one and indivisible, there is no possibility for any country in the world to regulate its economy and its social order for the benefit of all. The scandal relating to differential scales of wages for the Whites of South Africa as compared with the African, the Coloured and the Indian, calls for immediate stoppage. Recently there were instances where Indian artisans in Natal have banded themselves into Trade Unions and have negotiated for wages which are comparable to those of at least the Poor White in that part of the world. Still, it has been claimed that the Poor White of South Africa gets ten times the average wage earned by the Indian. Efficiency can be the only criterion for the determination of the wages levels of various classes of workers belonging to different races in any of the countries of the world where Indian labour was deliberately introduced dozens of years ago, and where it remains as part and parcel of the bodypolitic of the countries concerned. Until this is done, there cannot be any solution to the vexing inter-racial problems which have cropped up, particularly

after the last Great War, in almost every country in the world where Indians reside.

The Indian emigrant overseas demands economic freedom. It is a distressing fact that if at all Indians are wanted today in any part of the world, it is essentially due to the fact that manual labour of the meanest type would not be done by any race in the world, perhaps with the possible exception of the Chinese. From rikshaw-pulling to conservancy work, not to speak of tea-plucking and rubber tapping, Indian labour is found to be extremely useful, and the replacement of this labour would be the toughest possible job for any administrator who has the interests of the country concerned at his heart. But when it comes to a question of skilled work, the whole world is against our nationals abroad. The reason for this unfortunate state of affairs is easily discovered. Indolent Singalese, Malays, Burmese and other so-called native races abhor the strenuous menial tasks mentioned above. Numerous observers have reported that these peoples are unwilling to do the unskilled work turned out by our nationals in the lands where they have settled down temporarily or permanently. As regards skilled work, special protection is taken by all the emigrant countries concerned, with a view to preventing Indians from reaching economic independence, with the result that Indians find themselves debarred from taking to the professions and crafts to which their aptitudes and training entitle them. If at all there are exceptions to this proposition even in the case of the South Africa Trade Union Federation, as was indicated above, there is no provision for equal pay for equal work turned out by our nationals and their White comrades. The prevailing scandal on merchant shipping, as regards the wages of Indian and British crews, is a very important and interesting point. The mere pigment of the skin gives the Whites a superior economic status. In fact, the perquisites enjoyed by what may be termed "colourless" people are more than the lawful dues allotted to "coloured" workers. In so far as the Dominions of the British Commonwealth are concerned, the main difficulty for Indians in those countries centre round the problem of propping up the "Poor White" civilization, and as long as this "Poor White" problem remains in the midst of South Africa or, for that matter, in Australia, there cannot be any question that our countrymen in these countries would get a square deal. An English monarch became notorious for introducing a root and branch bill to exclude all the Jews who had monopolized certain defined trades in England 300 years ago. But the Jew, the Armenian, the Chinese *towkay*, the Indian Nattukottai Chetti, are all necessary evils in the economy of the world. The Hitlerian purge of Jewry in Germany in recent years cannot be stated to have succeeded in really stamping out usury, monopoly of industry and undercutting. Economic phenomena like these existed even before the Indian petty shopkeeper and money-lender settled down in Kenya and Zanzibar. To kill the goose which lays the golden egg may seem a sound policy to the jingo-politicians of overseas

countries which have a considerable proportion of Indian population to deal with, but even my friend, Mr. S. W. R. Bandaranaike will be the last man, with all his much-vaunted hatred for the Indian, to ask for immediate repatriation of the nearly half a million Indian plantation workers of Ceylon. For such an adventure in Sinhalese politics would mean the complete dislocation of the economy of the Island which cannot be maintained by the indigenous people, and might, as I am convinced it would, lead to the immediate financial collapse of the colony. But politics is an adventure apparently of a delectable type as far as the politicians of South Africa, Ceylon and Burma—to name only three countries at random—are concerned.

MISCEGENATION PROBLEMS

The second set of difficulties facing Indians overseas these days centres round the theory of the purity of blood. Miscegenation is the biological myth which has obtained wide currency in the wake of Darwinian philosophy. It is centred round the theory of the need for the prevention of race contacts. Intermixture of racial blood is believed to invade the world when once coloured and uncoloured people mate and produce children or, for that matter, even coloured persons of different hues. The dogma of miscegenation has gone to such illogical lengths that even approved marriages are tabooed. The Klu Klux Klan is no longer an American national institution or pastime, but is a universal phenomenon, and no one bothers about the squalid and degenerate conditions obtaining in the slums of Paris, London, New York and other industrial cities, where a conglomeration of different groups of white races has produced a new type of hybrid humanity. Not one word is said about the vast colonies of Anglo-Asiatic populations which have sprung up on the plains of India, the tea estates of Ceylon and the rubber plantations of Malaya. There is not one single word of derision at the existence of Anglo-Indians, Mulattos and Burghers, on whom are visited the sins of dominant White races in the world.

But a hue and cry is raised if a coloured man mates with or marries a non-coloured woman. The barbarities of the Klu Klux Klan spurt forward even when an educated, sturdy and mentally sound Negro mates with a polyglot white woman. It is on record that countless petitions poured into the law courts of the Transvaal when one Indian married a white woman, asking for the annulation of the marriage, and in fact life became so intolerable for the couple that they were compelled to migrate and thus escape lynching by the White community of the Transvaal. The doctrine of miscegenation becomes visible when conditions described above take their expected turn. As the White man puts it, to prevent this "miscarriage of sex relationships" segregation comes in. The line of demarcation between black, brown and yellow on the one hand, and the white on the other is rendered emphatic and is blazoned with all the renowned props of present day platform publicity. The civic sense of all

citizens is dragged into dirt, and reservations of territory are made to keep the unwanted coloured people away from the white residential districts. This is the story of Durban, Johannesburg and other centres of South Africa. This is exactly the basis behind the Kenya Highlands' Policy of Lord Delamere, Major Grogan and other stalwart empire builders who are repeating the history of South Africa in Kenya today. Even tramways, railways, post offices and other public utility concerns, towards maintaining which the coloured races are contributing *pro rata*, are brought under this scheme of segregation. The concept of colour is now one of the grossest libels which Western civilization has brought into current use. Formerly, miscegenation used to occupy the congested minds of scientists for purposes of theorizing, but the Union of South Africa has brought all this half-digested racial muck into the realm of practical politics. Addressing a mammoth audience in the Kellet Hall, Madras, in 1933, with the Rt. Hon. V. S. Srinivasa Sastry as Chairman, I ventured to predict a conflict of colour between the whites and the coloured peoples of the world, and this prognosis of mine still remains valid today. It is a fundamental thesis of mine that the ultimate resurgence of the undermined strength of the coloured peoples of the world, will lead to the utter destruction of the might of the White man, and if I am not mistaken part of this gigantic future struggle is being enacted before my very eyes these days.*

Why is this so? It is because of the manifestation of the irrepressive "creative" instincts of white men mating with coloured women, bringing in their process these despicable clans of half-castes, and this is supposed to be the natural result of types of occupation which the Whites, away from their wives, mothers and sisters, are obliged to have on plantations of tropical or sub-tropical countries of the world, so that Imperialism might live. It is not my thesis that Indians should have the opportunity to leave behind social excrescences as their masters did during the past hundreds years in every part of the world under their domination. Actually the vast majority of Indians overseas are conscious of the need for preservation of the purity of their blood. This is, in any case, in consonance with their social heritage and setting. Even though the shackles of the caste system have been loosened in the countries where Indians reside these days, its ultimate grip on the personal and community activities of our nationals abroad has not been destroyed, whether my Indian friend is a *Bhayya* (Bihar and U.P. Brahman) doing security duty in Siam, the Muslim engaged in the book and shoe trade of the city of Durban, the Chetti lending money at exorbitant rates of interest in Indo-China¶ or the newly converted Indian Christian teaching the bible to the men from the bush in British Guiana and Fiji.

* The *Hindu*, Madras, January 31, 1933. Also see my paper entitled "The Plight of Indian Emigrant Communities" in *Contemporary India*, Lahore. Vol. I, No. 1. First Quarter, 1935.

¶ See my paper on "The Chettiars of Indo-China—An Economic Appraisal," in the *Modern Review*, September, 1933.

But I must admit that race conflicts do exist as between the Indian emigrant communities overseas, the indigenous populations and their common White masters. The problem of sex proportion among the Indian communities resident abroad is a problem of tremendous national and international importance. Sixty years of Indenture proper have created the social conditions in which the mere man was torn from not only the economic and social setting of the Mother Country but also thrown on the boisterous billows of the socio-racial systems of distant countries overseas. And the single man uprooted from his social setting and let loose on territories least known to him, widely separated from his Mother Country and with cmmunities belonging to different pigmentation and social or religious setting devouring him up, might well become sub-human or a mere wild animal.

Even in the Indian Emigration Act of 1922, according to rule 23 of the rules framed thereunder, for every 100 Indian agricultural labourers assisted to emigrate, a legal minimum, meaning thereby the legal maximum, of 80 women, was provided. This is the statesmanship of the Government of India of the XX century, which has produced results not dissimilar to those of the obnoxious Indenture system which ruled the world of Indians overseas for nearly a century. I have myself seen several cases where individual women sought to satisfy the physical and other needs of forty men apiece in the horrible slums of Rangoon, and this impression is fortified by not dissimilar experience of mine in Colombo, Penang and Singapore. Even though during the past four or five years, assisted or for that matter unassisted agricultural emigration has been banned with reference to Ceylon and Malaya, the iniquities of this so-called sex-ratio rule of the Emigration Act of 1922 cannot be over-emphasized. It is recognized, particularly with reference to the Kandyan highlands of Ceylon where there is the largest single congregation of Indian agricultural workers who are day by day tending to settle down permanently, the sex proportion has righted itself. But from the point of view of the emigrants overseas as a whole, it is obvious that the disparity of sexes among Indian resident communities overseas has certainly complicated our relationships with the indigenous populations of the lands concerned, even though the South African agitation against Indians has nothing to do with this particular aspect of the social organization of the quarter of a million nationals of ours in the Union.

During my sojourn in Siam I observed that an affidavit from a single individual in a duly constituted court to the effect that he had seen a Siamese woman living with an Indian, would obtain for the Siamese woman rights of connubium from the Indian. The Burma Indian trouble is definitely due to the ease with which the Burmese women left either their paternal homes or their husbands and after conversion generally to Islâm married prosperous Indian merchants.

These are facts which no self-respecting Indian can ignore, and these facts must be altered. The righting of the sex proportion among Indian communities abroad is a matter of urgent vital national and international necessity, and it can only be set right, if at all Indian emigration is allowed to continue after the conclusion of the present innternational hostilities, especially with a view to increasing the productive capacity of a world which almost completely destroyed during the past five or six years, by way of family colonization. This is a thesis which I advocated with all the conviction I possessed with reference to Burma when Burma was still part of India, and this is the only proposition which can hope to give us peace with honour. I have travelled by S.S. *Buenos Aires Maru* from Saigon to Singapore carrying four thousand Japanese emigrants tied up in family groups to Brazil, and if Japan was able to solve, if India and China were not able to solve during the past one hundred years, her emigration problems, it was essentially because of the fact that she deliberately fostered the family type of colonization overseas. I want an Indian Hawaii but not a derelict Burma for my countrymen overseas, and I would not be content with anything less than this Indian Hawaii or a series of Indian Hawaiis overseas. If these are not possible for this country then there is no need for us to send overseas our uneducated, ill-disciplined and ill-equipped agricultural labourers, torn from their moorings, even for the purpose of enabling him to acquire half a loaf of bread more a day or a few annas of additional monetary wages than what he gets in his Mother Country. The righting of the sex proportion among Indian communities in distant lands like Fiji, Trinidad, British Guiana or, for that matter, Mauritius and Kenya, and the fostering of the family type of colonization with reference to Ceylon and Malaya and Burma, are the only means for preserving the integrity of India abroad, for otherwise the Korangi riots of 1929 in Burma would be repeated all over the world with sequences no less disastrous than the segregation policy or the Pegging Act of South Africa.

STRUGGLE FOR POLITICAL POWER

The third set of difficulties facing Indians overseas these days relates to the problem of political power as between the constituent communities of any particular country in the world where Indians are settled today. The XX century is undoubtedly the age of the ballot box, and a mere counting of the heads is taken resort to as the only basis on which society should govern itself, with the result that the numerical superiority of any particular section of the bodypolitic of a country is considered to be of the greatest possible danger to supremacy of the other sections of the community which want to rule the roost.

An analysis of the statistical position of Indians overseas in relation to the numerical strengths of other communities is highly illuminating. In Natal, prior to the introduction of the "assisted passage" under the terms of the Cape Town Agreement of 1927,

there were 189,000 Indians and 196,000 Europeans, and Indians were almost equal in number to Europeans in the City of Durban. The "assisted passage" was used as the lever to get rid of as many as 22,000 Indians, including children, so that the numerical superiority of the White people in the Union found itself guaranteed as a fact. In the case of Kenya, the emigration restrictions against Indians were daily being tightened up in order to ensure some sort of accession of strength to the White community. A mere 12,000 Whites have succeeded in taking into their hands the political and economic hegemony of Kenya as against some 90,000 Indians and millions of Kikuyu with the deliberate intention of ensuring the colony's White policy, according to which even the Aga Khan was prevented from acquiring properties in the Kenya Highlands. This is perhaps segregation of the obverse type, but segregation all the same. In Fiji, Indians and Fijians are almost identical in number, some 100,000 each, with the White ruling cadre and the merchant classes forming but a speck in the population picture. In Mauritius, nearly 75 per cent. of the population is Indian, some 300,000 out of a total of 400,000. In the colonies of the West Indies system, Indians bid any day to become the major community in Trinidad, and have a substantial strength which cannot be ignored by the Government of British Guiana.

So far as the colonies of the Indian system are concerned, one in six in Ceylon is an Indian. One in eleven in Burma before 1942 was an Indian. In Malaya there are 750,000 Indian residents. As Secretary of the Ceylon Indian deputation to the Colonial Office in 1930 in connection with the introduction of the Donoughmore Reforms, it was my job to see that the numerical strength of the Indian community in the island was not dissipated by means of a demarcation of the electoral districts to return Members to the State Council. All the efforts of the Indian community to get returned to the State Council of Ceylon a number of members commensurate with their numerical strength proved a failure during the past fifteen years, and all their numerical strength concentrated in the Sabaragámuva Province, in Hatton and the Kandian Highlands, was of no avail, and in the first Councils of 1931 only two Indians were elected to the State Council from the whole Island. I remember the strenuous efforts made by Sinhalese political parties to see that Indians in Ceylon do not get the proper weightage in the administrative and legislative systems of the Island, and it was after the introduction of the Donoughmore Reforms that the theory of Indians swamping the island was started with such disastrous consequences to our nationals, leading to the passage of the Village Communities Ordinance a few years ago, according to which Indians were denied the right of participating in the Village Councils of the Island.

In South Africa today there is no Parliamentary franchise for the Indian community, and even the Municipal franchise

enjoyed by them in Natal was withdrawn in 1924. In Kenya Indians were denied the right to have a common electoral roll for all communities, since the Europeans made sure that the economic and numerical strength of the Indian community does not give our nationals any superior position in the governance of the colony. In some of the Crown colonies like Fiji, British Guiana, Trinidad and Mauritius there is a restricted type of communal franchise given to Indians, but in the case of Malaya before the Occupation there was hardly any scope for the operation of the elective principle and representative government, with the result that a motley crowd of Indians was nominated to the respective Federated and Unfederated Straits Settlements Councils. Burma before occupation belonged to a distinct category by herself, and the principle of weightage in legislative representation sought to be given to the Indian community was found to be utterly incompatible with the long historic, economic and political connection between India and that country.

A rapid survey of this problem of political power besetting the path of the progress of Indian emigrant communities the world over, convinces one of the enormous significance of the fact that today our nationals abroad are denied economic and social justice, simply because they are denied the right to the vote and the right to participate in the administration of the countries to which their forbears and they themselves have made such enormous contributions in terms of a century of unmitigated travail. Lack of political power in the Mother Country is apparently responsible for the perpetuation of a system of votelessness under which Indians overseas live today. I cannot look forward to any improvement in the position of our nationals abroad until they are enabled to take their legitimate part in the governance of the countries of their adoption which a liberated and strong Mother Country alone can guarantee.

CEYLON AND MALAYA

The present-day problems of Indians overseas, which fit in to sustain the general description so far given of their conditions of sojourn abroad, must be examined with reference to individual countries. Taking Ceylon, it is clear that the Government and the people of India will not lift the ban on all forms of assisted or unassisted emigration of unskilled Indian labourers, who are mightily needed for work on the plantations of the Island, unless there are guarantees forthcoming that the resident Indian community therein will get a square deal. The abolition of one or two conditions in the Passfield Order-in-Council of 1931, particularly that relating to the declaration of intention to reside, the withdrawal of the Village Communities Ordinance, the right to the Indian plantation community to organize itself on Trade Union lines, a proper delimitation of constituencies which is capable of giving twenty instead of two seats in the State Council on the basis of the numerical strength of the Indian community, the removal of inhibitions through admini-

strative or legislative action against the permanently-settled Indians for purposes of employment, the establishment of the freedom of entry of non-labouring Indians, and the improvement in the material conditions of tea and rubber estate workers seem to me to be some of the most urgent problems awaiting solution, with reference to the existence of Indians in Ceylon and to any possible future resumption of emigration intercourse between India and the Island.

The Ceylon Indian Congress, at its session in May 1944, demanded the following rights as the basis for the settlement of the Indian minority problems in Ceylon: Indians with a total (not continuous) residence of five years should be given full rights of citizenship; Indians who have been in Ceylon for a period of less than five years should be allowed to complete a period of five years to acquire the full rights of citizenship; and, those Indians who left Ceylon after January 1, 1939, and were prevented from entering Ceylon as a result of the ban on emigration imposed by the Government of India should also be given the right to qualify for full citizenship on the same basis. The appointment of Mr. M. S. Aney to a semi-diplomatic position in Ceylon may or may not bring about this particularly necessary readjustment of the Indo-Ceylon problem. Reports were current during the autumn of 1944 that there would be a resumption of Indo-Ceylon negotiations at an early date, and that it is the intention of Ceylon to make amends for the disastrous anti-Indian policy so far pursued by her race-dogma-ridden politicians, for very soon peace would descend upon the world, demanding at once a continuous outflow of Indian labour into the Island, without which Sinhalese economy cannot hope to stand intact for a single day. It is, however, clear that India will have nothing to do with Ceylon until she plays the game by our near one million nationals claiming her domicile.

The case of Malaya is more or less analogous to that of Ceylon as far as our nationals are concerned, with the difference that Malaya was always a Crown colony, semi-feudal as far as the Federated and Unfederated States were concerned, with elective principles totally absent both in respect of municipal as well as Colonial franchise, and has to be liberated from Japanese Occupation. There is a tremendous need for improvement in the material conditions of Indian workers in Malaya before the Government of India can permit the resumption of emigration, and this point gains greater emphasis in view of the fact that no one knows today what is happening inside the Malay Archipelago under Japanese Occupation. The tremendous destruction of the productive resources of Malaya during these war years, might possibly result in frantic efforts after her liberation to secure a continuous supply of Indian labour, which will not be given unless this emigration is preceded by ample assurances of good treatment, the lack of which was responsible for the Government of India imposing the ban upon emigration to Malaya,

even before the war broke out and even when Malaya belonged to the British Colonial system.

Family colonization of Indians in Malaya is an urgent necessity, if at all emigration is to be resumed after her Liberation. The Indian community, and perhaps more so the Chinese community, require legal and political assurances that they would be given a considerable share in the administration of the Archipelago, for otherwise it is not worth while sending out our countrymen for labouring purposes in that quarter of the world. With reference to the Federated and Unfederated Malay States, the abolition of Banishment Ordinance, under which any Indian, who is articulate enough to attempt to give leadership to the otherwise docile Indian plantation worker, can be got rid of by Sultans of the States concerned, must be abolished. More than anything else, the crying need in Malaya is the restoration of the sex proportion among the Indian community, and the provision of educational and medical facilities to the resident Indian community, particularly on the estates. Malaya is an international danger spot, with the Chinese, the Malays, the Indians, and the Javanese jostling with each other under the White (temporarily now under Japanese) suzerainty. Any effective solution arrived at between the communities and the Ruling Power with reference to Malaya is bound to be of tremendous importance to the tackling of the problems of Indian communities overseas, and also perhaps of the problems of Chinese overseas emigration. I consider that Malaya is a test case for Indians abroad, and any improvement in the conditions of our nationals in Malaya is bound to blazon the path of progress for the far-flung Indian overseas resident communities which could never be dimmed or resisted. My own investigations in Malaya have convinced me that while improvement in wages, living conditions and rights of association for plantation workers is vitally necessary after Liberation, the problems of Indians in that country would more and more centre round a synthesis of races—Chinese, Malays, Indians and Javanese—which is capable of preserving to the immigrants their gainful activities and yet give the indigenous Malay the right to enjoy dominion in his own country. The political destruction of the Malay cannot be to the advantage of the Indian immigrants in Malaya. The independence of the Malay is the guarantee of the survival of the Indian immigrant, as a co-worker sharing the fortunes of that rich Archipelago.

BURMA

It is a near cry from Malay to Burma. The problems of Indians in Burma, which for over six decades till 1937 was administered as part of India, and which today is subject to the domination of the Japanese, are bound to be really terrific when Liberation comes. Incidentally, from the numerical point of view one in eleven in Burma was an Indian before Separation and, even though, it must be presumed that this temporarily emigrant India-born and permanently settled Burma-born

Indian population of the Land of the Pagodas has been considerably reduced by a series of developments, not the least of which is the artificially stimulated anti-Indian feelings which resulted in the Korangi riots in 1929 and which led to the disastrous *regime* of frightfulness introduced by the Burmese politicians after Separation in 1937. As I have mentioned earlier, the abolition of the *mistri* system, as also the contract system as it is called, is a vital necessity, if at all Indians, particularly of the labouring classes are to go to Burma, especially after Liberation for gainful employment in agricultural and urban activities. I must be not only free, but must conform to the family colonization type.

In my time, I have noticed a series of developments which tended to the setting up of the Burmese labourer, who recently became conscious of the need for him to exchange his sylvan rural independence for the doubtful benefits of wage-slavery of the present capitalistic system in the world, against the Indian emigrant worker. There was a fifty per cent. reservation of labour in the Rangoon Port Trust for the Burmese. There was also a gradual process of selectivity in the types of work or tasks allotted to the Indian emigrant labourer—generally of the meanest possible character—which in my opinion is bound to lead to some sort of occupational segregation of different classes of labour in Burma. This is the danger which has got to be forestalled in advance of Liberation of Burma, and this is only possible through the system of family colonization I have advocated, if at all Indian labour is to play any part in the future reconstruction, development and maintenance of Burma as one of the world's richest fields for productive activity.

In any discussion of the future of Indians in Burma the labour aspect of the question is bound to loom large, nay, even assume exaggerated importance. Rangoon was almost an Indian city until razed to the ground before the Japanese onrush to the Assam border. The Indian, whether he be of the labouring or non-labouring classes, is almost ubiquitous in Burma, and a considerable number of Indians had settled down, before evacuation, on the land on a more or less permanent basis, cutting themselves off from India. The restoration of the social, economic and political *camaraderie* between the Burmese and the Indian in Burma after Liberation will be perhaps the most vital plank of approach to the Indo-Burma question in the future. I am convinced that in their zeal for political freedom the Burmese politicians have unnecessarily created an atmosphere of terrorization of the Indian emigrant residents in Burma before 1940, and having gone through what they have gone through during the Japanese Occupation it is more than likely that the Burmese in the future would appreciate the need for understanding and co-operation between themselves and the Indian emigrant settlers.

Till Separation in 1937, on the average, sixty to seventy

thousand Indians were left behind in Burma every year as a result of the almost continuous cross-sea movements across the Bay of Bengal or across the land frontier of Arakan of Indian emigrants which fell off after Separation owing to less favourable circumstances. I am not very clear whether this quota will be maintained as the annual average number of Indians deposited in Burma more or less permanently after Liberation, though I quite visualize that in view of the policy of denial adopted by the British before withdrawal and also the known consequences of the ravages of Japanese occupation, there is a greater need for "reconstruction" in Burma than perhaps in any other part of the Orient, with the result that Indian labour, Indian capital and Indian personnel are bound to be in tremendous demand after Liberation. I would not be a party to a system of things in which Indians in Burma are compelled to resume their old status and function, viz., temporary sojourn without legal or economic equality with the Burmese. On the contrary, I am strongly of the opinion that if at all Indian emigration has to be resumed, in the wake of the restoration to the Indian evacuees of their properties and rights in Burma together with compensation of an equitable character, it must be of a type which is free, done in family groups, based on the principle of permanent settlement, and guaranteed equal economic and political rights by the future Burmese Government. I would rather have no intercourse with Burma after Liberation, than resume the doleful history of pre-1937 type of Indian emigration or, even for that matter, the post-Separation system of a progressively restricted type of movement and activity which was ordained by the Burmese politicians, who were suddenly puffed up with jejune ideals of national independence and sovereignty.

There cannot be any doubt that the series of anti-Indian laws and administrative inhibitions which is in evidence with reference to Indians in Burma since 1937 cannot be the basis of understanding co-operation between India and Burma in the future. Whether Burma likes it or not, after Liberation she has got to count with her dependence on the Indian political system, let alone the considerable amount of Indo-Burma Trade which is of such tremendous significance to the economic well-being of the Burmese people. Before Occupation, India imported some two million tons of rice a year from Burma besides considerable quantities of oil, timber, etc., while Burma received from us enormous quantities of textiles, and various other types of manufactured or semi-processed goods. Burma always had a considerably large balance of trade with India, and despite some of the halting provisions of the Indo-Burma Trade Agreement, it is quite clear that Burma after Liberation must have more or less intimate economic and commercial intercourse with India, if she is to be reconstructed without tremendous cost to herself, to her neighbours or to the Allied Governments.

I am emphasizing this aspect of the question with a due sense of responsibility, and for the sole reason that a dilapidated

or economically helpless Burma is more a liability to this country than an asset. India does not want to exploit Burma for her own benefit, but India demands justice for her nationals, in view of hundreds of years of our continuous cultural and political contact with Burma, the six or seven decades of Burma's administration as a constituent part of this country, and the numerical concentration in her midst of the largest number of overseas Indians. I would have had no grievance against Burma for such of the land legislation she has got through before the Japanese Occupation, if I were convinced that it was entirely intended to bring about a readjustment of the social and economic system of the country, and was not expropriatory in its approach to the Indian vested interests, particularly of the Nattukottai Chettis. The right to untrammelled gainful employment for Indian labouring population in Burma, the right to residence and to acquisition of property and trading of the non-labouring sections of the Indian population, and a guarantee that Indians would be considered as citizens with equal political and economic rights, are necessary before a satisfactory solution of all the outstanding Indian problems in Burma could be brought about after Liberation, or for that matter before India would ever consent to the resumption of migration.

The question of the domicilory rights of Indians in some of the colonies and dependencies of the British Empire and Commonwealth is always bound to have a tremendous significance to their future. It is as such appropriate that I reproduce here a memorandum which I have done at the request of Indians in Burma on their domicilory rights in that country. This is what I wrote in 1941:*

"I am asked to state my views on:

(a) Whether under the Indo-Burma Immigration Agreement domicile if obtained by Indians will be tantamount to the absolute loss of citizenship of India; and

(b) Whether the existing franchise and reservation of seats relating to the Burma Legislature and local bodies are likely to be affected, as henceforwards Indians in Burma are divisible between British Indian subjects residing in Burma under permits and Burman British subjects obtaining domicile position in Burma.

"I state my views here, by emphasizing the fact that there is nothing in the Indo-British Immigration Agreement to cover these two specific questions. Actually, I have reason to believe on the information at my disposal that these questions were not even thought of by the negotiators of the Agreement and that

* Printed for the first time in my paper COMMERCE & INDUSTRY at the time of the negotiations between the Government of India and the *emigre* Government of Burma in 1944, concerning which I have more to say later in this chapter. See, COMMERCE & INDUSTRY, June 14, 1944.

they constitute a set of unsettled problems which is soon to assume tremendous importance in the eyes of Indians in Burma.

"Taking the Burma Constitution Act, it is clear that mention is made of "domicile in India" (section 44). Under this section, "protection" is granted to people domiciled in India on a par with those domiciled in the United Kingdom. There are two qualifications to this right of "protection." Firstly, to the Government of Burma is reserved the right to impose restrictions on Indians in its territory on a basis reciprocal to any restrictions imposed by the Government of India on Burmans resident in this country. Secondly, Burma can impose restrictions on the right of entry of Indians into her territory, which is now conceded under the Indo-Burma Immigration Agreement.

"Under Schedule IV No. 3 of the Government of Burma Act mention is made, subject to the fulfilment of certain regulations which the Government of Burma might lay down from time to time, *e.g.*, residence, property, literacy, *etc.*, of the franchise which is available to British subjects (obviously including Indians) and to subjects of an Indian State specified, or if not specified, to subjects of all Indian States. I believe that this provision can be taken in hand by the Government of Burma to prevent subjects of Indian States resident in Burma from acquiring franchise in that country. How this provision will be exploited by the future Burmese Governments cannot be stated by me now with precision. In view of the fact that a considerable number of subjects of Indian States are now resident in Burma as belonging to any of the three categories of immigrants mentioned in the Agreement, I apprehend considerable danger from this provision.

"Having disposed of the provisions of the Act and remembering the "background" of the Agreement, I would like to set down my views on the two questions posed above.

"There is no statute known to British constitutional law defining citizenship as such, whereas "domicile" is clearly a legal expression delimiting the rights and privileges of individuals. Actually British citizenship is an expression which has always been considered and accepted as indivisible, both by foreign Governments and by the Governments *inter se* of the British Commonwealth and Empire and India. Indians acquiring a Burmese domicile under the Agreement (Article 20) do not, to my mind, lose their citizenship of this country. For example, an Indian born and resident in the Union of South Africa does not have to fight for citizenship of this country on his arrival here and is presumed to be entitled to all the rights and obligations of an Indian if he resides here, and is entitled to all the privileges of Indian citizenship as such, the right to acquire property, franchise, *etc.*, provided he fulfils the conditions laid down by the law of the land. I believe the same is the case with Indians domiciled in Australasia, the United Kingdom and

even the U.S.A. Of course, if I go, say, to Japan and settle down there and acquire a Japanese domicile and citizenship, by specifically renouncing my Indian citizenship, I will be entitled to all the privileges of a Japanese national as far as the Japanese Empire is concerned. But in between the various units of the British Commonwealth and Empire and India there is no question like "double nationality" *etc.*, creating complications.

"There is, however, one proviso to the above paragraph. Subjects of Indian States, when going out of India, are governed by the Foreign Jurisdiction Act and are protected under its relevant sections, but it is now generally recognized that subjects of Indian States are "British Protected Subjects" and as such might have to face any contingent action which the Government of Burma might be induced to take in the future under Schedule IV of the Government of Burma Act, as mentioned earlier.

"As regards the second poser, I do not think that the distinguishing language is known to British constitutional law or practice and that the position is still more nebulous and even confusing. There will no doubt be British subjects (including British Indian subjects known to common parlance) with permits obtained under the Agreement and there will be British subjects (including British Indian subjects) with Burmese domicile. Noting again what has been said above regarding the subjects of Indian States it will be seen that, provided Indians in Burma of whatever category known to the Agreement fulfilled the conditions laid down in Schedule IV to the Government of Burma Act or in the rules framed thereunder by the Government of Burma, they will be entitled as now to all the rights *etc.*, like franchise to local and legislative bodies, reservation of seats, *etc.*, unless of course, the Government of Burma brings about changes by a process of law or administrative practice, I must here emphasize the point that it is open to the Government of Burma, even as against the general protection granted to Indians under Section 44 of the Government of Burma Act, to make certain rights contingent on the right of Indians to acquire a Burmese domicile or the permits which are categorised under the Agreement. The assumption is that the Government of India will be consulted under Article 27 of the Agreement before any such action is taken by the Government of Burma in the future.

"So far I have dealt with the legal aspect of the questions. But there are also several administrative and other aspects of these questions which are to be taken into consideration. Taking one of these first, it is obvious that the acquisition of the right to be classified as "privileged immigrants" and the attendant right to acquire the Burmese domicile, and the A. and B. class Permits, are a costly, laborious and vexatious process. I am convinced that the substance of the Agreement is, according to the known intentions of the Burmese Ministry to water down the effective strength of Indians resident in Burma under all the

categories of immigrants named in the Agreement, and there is also the assurance that every effort will be undertaken to see that this object is achieved. I know of no provision in the Government of Burma Act or in the Agreement which gives to the Government of India and the people of this country any right to effectively challenge the process of restriction of immigration into Burma from this country which the Burmese Government for the time being might undertake to enforce. I visualize a day when the Indian community resident in Burma either permanently or temporarily will be reduced to the position of Indians in the Union of South Africa and that a long process of friction and even hostility will be gone through as far as the relationships between this country and Burma are concerned. What could have the Government of India or the Secretary of State for India who is also the Secretary of State for Burma done (and what did they actually do?) when the Burmese Government undertook the egregious piece of land and tenancy legislation recently? What provision is there for the prevention of further land or other discriminatory legislation in Burma which is aimed against the Indian Community? I consider that the general provision for the protection of Indian interests in Burma (section 44 of the Government of Burma Act for Indians in general and Article 20 of the Immigration Agreement for Indians acquiring a Burmese domicile in the future) is not sufficient to meet the situation which as I visualize is ahead of Indians in Burma.

"In every part of the world there is evidence as to how the purpose of the law is defeated by illegal interference of certain parties in a position to so interfere, and the opportunities for the preparation of electoral rolls *etc.* for elections to local bodies and the legislature will give the Burmese Ministry or other local Burmese magnates who are "interested" in the public life of Burma, a weapon to defeat the entire purpose of the provisions of the Immigration Agreement, by bringing about a situation in which only the most meagre possible number of Indians resident in Burma and enjoying any of the categories of attributes of residence mentioned in the Agreement will be able to enjoy their franchise rights.

"There is one other specific point which I would like to discuss here. I do not think there is any provision governing the reservation of seats either in local bodies or in the Burmese legislature which is made dependent, on the number of Indians in each constituency. But I do know that within the next few months the "effective" strength of the Indian community will be reduced drastically and that in Burma the categorization of domiciled and permit-holding Indians will be pushed to its logical extreme, which, generally speaking, is not bound to be in the interests of the Indian community as a whole, while being extremely derogatory to the self-respect of India.* I am not clear

* This had actually come to happen even before the Japanese Occupation.

in mind, and I have no basis of checking up, whether *e.g.* the Indian labouring population in the City of Rangoon which has the Municipal Franchise today will be deprived of it if it cannot, under the Agreement, obtain either a Burmese domicile (which is impossible in the circumstances) or even the A. or B. Class permits. The Agreement is silent on these questions.

"Finally, though not called upon to express any opinion on this point, I would like to state that the repercussions of this Agreement on the position of Indians in Ceylon, where the situation is becoming critical day by day, are bound to be disastrous. I find that in Ceylon there is no statutory protection of Indian interests as in the case of Section 44 of the Government of Burma Act, even though I know that the Governor of Ceylon, under his Instrument of Instructions, is enjoined to take special care of the minorities and the immigrant communities. There is, thus, a definite contingency of a landslide of anti-Indian feeling and demands developing in Ceylon soon, and we cannot say that having accepted one position in the case of Burma under the immigration Agreement, we cannot and will not accept the same position in principle to the Government of Ceylon.

"I find that the Agreement is ratified by the Governor-General-in-Council, the Government of India having short-circuited the Legislative Assembly process. I believe that an Order-in-Council is to be issued by the Secretary of State to finalize the present position of the Agreement. In that Order-in-Council certain provisions can be inserted setting at rest doubts about the unsettled questions mentioned above and others which assuredly exist. To getting this done must the people of this country bend their energies before it is too late."

In view of the fact that negotiations are still proceeding between the Government of India and the *emigre* Burma Government in Simla for its revision, an examination of the Indo-Burma Immigration Agreement of 1941 must be made here. The joint statement issued by the Government of India and the Government of Burma, in respect of the future of Indian immigration into Burma, is a document of considerable interest, even though Burma today is under Japanese occupation, thus rendering the Agreement nugatory. Para 5 of the joint statement runs as follows: "It is obvious that in the peculiar circumstances of the two countries, their geographical proximity, their political and economic ties and their long political association, problems arising from regulation of immigration are of special complexity and delicacy. Both Governments have approached these problems in a spirit of cordiality and mutual understanding, and are agreed that in giving administrative effect to the measures now proposed, the closest co-operation will be required in the spirit of mutual adjustment and identity of purpose which characterized the negotiations. It is their earnest desire that the agreement now achieved will serve to remove any causes for misapprehension,

which may have arisen either between the two countries or between the two communities in Burma, and may furnish a lasting foundation for the development in the future of the firmest type of friendship and goodwill."

Such a high-sounding preamble as the above would have made us to expect the barest possible justice for this country, but it is clear that this agreement was completely loaded in favour of Burma. Paragraph 4 of the joint statement runs in part as follows: "The agreement is based upon two principles, firstly, that Burma has, subject to the provisions of the Government of Burma Act 1935, the right to determine the composition of her own population, and secondly, that Indians who have wholly identified themselves with the interests of Burma should enjoy the same rights as members of the permanent population." The first principle embodied in this statement is in conformity with the Reciprocity Resolutions of the Imperial Conferences of 1917 and 1918, and as such is unexceptionable, while the second principle embodied in the Agreement is one as it should be. But a detailed examination of the provisions of the Agreement, which are 27 in number, would give us an altogether different picture.

The system of immigration ordained by this Agreement consisted of the possession by prospective Indian immigrants into Burma of passports and proper *vises* issued by the relevant representatives of the Burmese Government. Apart from the general passport system, immigration was regulated by permits divided into classes "A" and "B," for which the Government of Burma can fix quotas, which also govern the entry into Burma of Indian students and visitors under a similar passport system. "A" permits entitle the holder to remain in Burma for an indefinite period and to accept employment therein, without any bar to his acquisition of a Burma domicile. "B" permits restrict residence in Burma for a specified period, the maximum being a period of three years, which is, however, extendable at the discretion of the Government of Burma to a maximum total of 9 years. "B" class permit holders are also given the right to accept employment in Burma and are eligible to apply for "A" class permits, under the conditions governing their issue. It was, however, made clear that the discretion of the Government of Burma, "after consulting the Government of India," to impose additional conditions on either of these two categories of Indian permit holders is fully emphasized in the Agreement. Regulations were laid down governing the entry into Burma of the dependants of "A" and "B" class permit-holders, as also with reference to land frontier immigration. Penalties, which can be imposed under Burma legislation for unlawful entry and residence of Indians in Burma, are not to exceed imprisonment for six months or a fine of Rs. 1,000, or both, on persons convicted by a duly constituted magistrate. There was a provision for the appointment of an Immigration Board, for the purpose of tendering advice to the Government of Burma, generally on matters of

policy relating to Indian immigration into Burma, and in particular on the fixing of quotas for the grant of permits. The scale of fees leviable are Rs. 500 for "A" class permits, while "B" class permits are obtainable by unskilled labourers by paying an entrance fee of Rs. 12, *plus* a residential fee of Rs. 5 for every year or part of a year for which the permit is valid. For other classes of immigrants, Rs. 30 and Rs. 20 respectively are to be charged, dependants having to pay half the rates mentioned above. "B" class permit holders have on entry into Burma to put in a repatriation deposit per head of Rs. 20, both for themselves and their dependants.

There are two very vital clauses in this Agreement, whose operation is bound to be of the greatest possible difficulty to future Indian immigrants into Burma, and which cut right across the system of things which India and Burma were accustomed to for centuries together. Article XIII allows the Government of Burma to impose a literacy test on applicants for "A" permits, provided that such a test is not made in Burmese or any other language indigenous to Burma. Article XIV runs as follows: "Marriage or co-habitation with women belonging to the indigenous races of Burma established to the satisfaction of the Government of Burma may be made a condition for the cancellation of a permit or visa granted to a male Indian immigrant, provided that exceptions will be made of marriages entered into with the sanction of the Government of Burma, and that such sanction will be given if the immigrant makes, before the proposed marriage, provision which is sufficient in the opinion of the Government of Burma for the permanent maintenance of a woman he desires to marry." I need not, by way of comment, say anything more than this, that this particular penal provision is unheard of in any part of the world, not excluding the Union of South Africa, and is bound to become one of the most vexatious instruments in the hands of the Burmese people and Burmese Government to harass and ultimately get rid of any Indian whom they do not like to reside in Burma, especially in the light of the lax system of marriages known to that country.

As regards the provisions relating to Indians who are already in Burma and have made Burma their home and bound themselves up with the interests of Burma, it was provided that they can establish their claim to Burma domicile and to the benefits of Section 144 of the Government of Burma Act of 1935. It is stated that no restriction will be placed on the acquisition of a Burma domicile under the due process of law by Indians lawfully residing in Burma, except those who by the terms and conditions of a permit which entitles them to reside in Burma are not given the right of residence beyond the specified period. Section 21 of the Agreement says: "That Indians who prove a total residence in Burma of seven calendar years between July 15, 1932, and July 15, 1941, will be termed 'privileged immigrants' with the right to further resi-

dence and to the acceptance of further employment in Burma without limit of time, but it is clearly provided that they would lose their status as ' privileged immigrants,' should they be absent from Burma for a continuous period exceeding one year after the July 15, 1941." It was stated that a "privileged immigrant," so long as he retains his status, will be given the right of free entry into Burma on his return after an absence of less than twelve months. Other Indians who were in Burma on July 15, 1941, were entitled to remain indefinitely and accept work also indefinitely, but it was clearly provided that "should an Indian of this class leave Burma for any period, his claim to re-entry he will have a preferential claim to a "B" class permit." To such extent to which the Agreement was allowed operation before the Occupation, it was noticed that the Government of Burma sought to water down Indian rights under its provisions and generally restricted the number of Indian immigrants entering Burma.

It is an extraordinary fact that this Immigration Agreement has sought to demarcate the Indian from the Burman civilization and culture, and to give the Burmese people the right to treat Indians as inferior human beings. Indeed, the race-mania which has disfigured the relationships of the communities resident in the Union of South Africa and the White Australian Policy, is now firmly enthroned as the religion of the Burmese people. The manifest difficulties inherent in the regulations relating to the Burma system described above cannot be over-emphasized, and even though the present Government of India, thanks to Sir Girja Shankar Bajpai's deplorable diplomacy, have agreed to this obnoxious type of Indo-Burma relationships, there is every assurance that India will press for an honourable revision of this obnoxious Agreement and for securing conditions under which Indo-Burma relationships are established on a basis of national self-respect for the people of this country. This Agreement, along with the trade arrangements made between India and Burma after Separation, are now dead letters, because of the Japanese Occupation, and when these questions are revived after the Liberation of Burma, there cannot be any question that they must be approached by the peoples and Governments of India and Burma *de novo*, and that revised agreements are to be arrived at on the basis of enduring honour between the two countries and the two peoples.

The proposals of the *emigre* Government of Burma for the revision of the Agreement, as far as they are made known to the public through the Standing Emigration Committee and other representatives who met the Commonwealth Relations Member and his assistants in Simla in May 1944 and later in New Delhi are not satisfactory. India would not consent to the compulsory imposition of a Burma domicile, with the Indian domicile completely dropped, upon Indians. There is no question that Indian labour would be permitted to be sent to Burma without the fullest

guarantees that Indian rights, particularly the right to entry and re-entry are guaranteed. If the South-East Asia Command want labour, as is most likely to be the case, for rehabilitating Burma after Liberation, India would not supply it without these guarantees, though I gather that a secret arrangement relating to this point has already been arrived at between the Government of India and the *emigre* Government of Burma. If at all labour is to be allowed to go out of this country for this rehabilitation work, it must be recruited specifically as a part of the Army of Liberation which is to march into Burma in the fullness of time. The proposals of the Government of Burma for the revision of the Indo-Burma Immigration Agreement, and possibly later on for the revision of the Indo-Burma Trade Agreement, are fantastic, for today the Government of Burma is an *emigre* Government, without a country but receives its directions from London. Any final revision of these arrangements must wait till Burma becomes free and a National Government comes into existence in this country after the conclusion of war.

The XX Century is responsible for investing the ballot box with almost mystic powers, and since one in eleven in Burma was, before Occupation, an Indian, and since possibly the same statistical proportion might be reached immediately after Liberation as far as Indians are concerned, it is obvious that both in civic and constitutional and political matters our nationals in Burma after Liberation must be given their due weightage, for otherwise they would be reduced to the status of sojourners without rights and without protection. Even in the period of hectic reconstructional activity which India envisages after the conclusion of the war, she cannot but be weighed down with problems involving the protection of the rights of her nationals overseas, particularly in a country like Burma where the South African parallel came to be deliberately repeated with such outrageous insistence before the Occupation. The Indo-Burma Immigration Agreement and the Indo-Burma Trade Agreement, in my opinion, do offer the basic approach needed for a satisfactory solution of the Indo-Burma questions of the future. These Agreements are imposed on both the countries by the skillful diplomacy of the White masters, and are also loaded in favour of the British exploiter of both the lands. A future Indo-Burma settlement can be visualized only in terms of a covenant between the representatives of the peoples of both the countries, who not only look forward to gaining their respective political freedoms from the world, but also to a period of collaboration as two of the principal peoples of the Orient whose labours are bound to be of such tremendous leadership to the rest of the peoples east of Suez. In the light of my own investigations, I have not the least doubt that the people of Burma are essentially good-natured, and that they would like India as a helper, more or less as a Big Brother, who is capable of leading not only Burma, but also Malaya and Ceylon, in a future world set-up, in which the smaller States would not

find their essential rights guaranteed by the Imperial Powers. It strikes me that during the post-war period when the re-shaping of the world is to be taken in hand, Burma, Malaya and Ceylon would like to come back, so to speak, to the Mother's fold, giving India the benefits of their collateral strength and receiving from India, the nutriment of their self-preservation. This is how I visualize the period ahead of the countries belonging to the Indian System, not only with special reference to the solution of the problems of Indian emigrants, but also with reference to the delimitation of their national fortunes, as small but virile communities, into whose midst our nationals are thrown, which have still to receive the manna of liberty.

The publication in November, 1944 of the so-called "Blue Print" by the Imperial Affairs Committee of the British Conservative Party on the future of Burma, for circulation among the Conservative Members of Parliament, has created a new situation concerning the future of that benighted country. The Indian contribution to the Liberation of Burma, both in terms of men and material, which is now under way, has been recognized to be of vital importance to the Allied Nations, and as such the views of the British Conservative Party, which are bound to influence British policy towards Burma, assume importance which is far out of proportion to the cogitations of any political party in any country, and is of substantial meaning to the people of this country.

The "Blue Print" postulates the governance of Burma by the Governor for a period of six years after Liberation with the assistance of an advisory committee of Burmans. This is a demand which is bound to be resisted by Indians and Burmans, for the reasons that Indians do not find a place in the councils of the Burma Government after Liberation, and that the Committee itself is to be of an advisory character. The British Conservatives want compensation for British subjects who have sustained losses in the wake of the Japanese onrush to the borders of India. Both Indians and Burmans object to this demand, on the ground that the consequences of British unpreparedness in Burma should not be saddled on Burmans, and that Indians (some 500,000 on popular report) who have evacuated in terms of the British policy in that country before Japanese Occupation must be compensated for and assisted to re-establish themselves in that country after Liberation, which is to be secured with Indian assistance in the greater measure. The "Blue Print" postulates the need for assistance to the future Government of Burma to undertake land reform, but it is obvious that no land reform in Burma, which has for its main objective (in the light of the pre-Occupation experience we have) the dis-alienation of our holdings (the Chettis from South India alone holding some 4,000,000 acres of agricultural land) in that country, during the long decades of Burma's participation in the administrative system of this country.

The Burma *demarche* of the British Conservative Party, does not enthuse Burmans and Indians, not necessarily for identical reasons, and is bound to be assailed on all sides, for the simple reason that it seeks to put a premium on British "claims" on Burma, while it conveniently neglects Burma's own interests, and the interests of the considerable numbers of Indians who claimed Burma's domicile before the Occupation, and who are to find in Burma their homes and gainful employment after Liberation. The "Blue Print" on Burma and the Conservative Party is a damp squib, and only a sovereign India and a sovereign Burma can settle their problems as between themselves, and as between themselves on the one hand and their common British masters on the other.

AFRICAN COUNTRIES

When we turn our attention to Africa, we are beset with a series of special problems almost dissimilar to that in the countries flanking the Bay of Bengal. The South African problem naturally looms large, and next to South Africa is Kenya, which is the colonial Sun of the East African system round which revolve Tanganyika, Uganda and Zanzibar. One common strain of approach to the problems of Indians in the countries of the African system seems, as far as the White rulers are concerned, to be the deliberate design to make South Africa a White Continent. Two million Whites, Boer and British, are now trying to destroy the social, economic and political foundations of the fortunes of 6,500,000 Bantu, 900,000 Coloured and 250,000 Indian fellow-citizens of theirs in the Union of South Africa. Hardly 20,000 Europeans in all the East African territories are today attempting to repeat the performance of the Whites of South Africa, for otherwise the Major Grogan—Lord Delamere Axis in Kenya would have no meaning at all. In 1922 addressing an audience in Bangalore, Rt. Hon. V. S. Srinivasa Sastri, than whom Indians overseas have no greater friend, perhaps with the sole exception of Mahatma Gandhi, warned this country and the world at large against the "dangers of Kenyanization," the Kenya Highlands' policy, which is a form of segregation of the non-White communities, in so far as that the Kenya highlands are reserved for the sole benefit of the Whites, as a euphamistic way of stating that the Whites do not want to pollute the non-Whites and hence would like to have segregation for themselves !!

This is the diplomacy of colonial domination as practised by the European powers. The Kikuyu is now gradually being thrown back into the bush, in a manner comparable to the pauperization of some 300,000 Indian settlers and residents of the countries flanking the East African littoral. This, in essence, is a projection of the South African dogma of White civilization beyond the confines of Lake Victoria Nyanza, so that a triangle might be formed between the Cape, Cairo and the Congo, within whose confines the infinitesimally small and numerically weaker White

peoples of the European colonial powers might not only have scope for expansion, but would have the prescriptive right to destroy the patrimony of the 140,000,000 black peoples of the Dark Continent, with sprinklings of coloured and Indian settlers thrown into the bargain. Closer Union of East African territories is only one step to the Federation of all the British possessions and spheres of influence, with the Union of South Africa as the centre piece. I shudder to think of the day when this federation idea becomes an accomplished fact, for its consummation would mean the signing of the death warrant of 140,000,000 black people, who have given the name Dark Continent to their patrimony which goes back beyond the days of the Pharoahs. Indians have also resisted the implications of the reports of the Hylton Young and Wilson Commissions and will not surrender their rights to a common electoral roll in Kenya. The recent immigration restrictions in respect of East African territories, ostensibly stated to have been imposed by the East African administrations on account of war considerations of food supply, *etc.* once again bring into prominence the dangers of Kenyanization. The White man in Kenya is today steadily pushing his claim to undisputed domain over the Black and the Brown, and if today I recall the final refusal of the big powers to go through the originally decided grant of a mandate to India over Germany's East Africa (now Tanganyika) I only do so for the specific reason that the theory of the White Man's Burden had always been the motive force behind the activities of European Colonial Powers which are all out to reap the benefits of the exploitation of the less developed peoples and lands, and which has always been potent both in times of war and peace. If Indians in Africa today—and they are half a million people—can give the little leadership they have to the Kikuyu, the Bantu and the Swahili, they will perhaps have done the greatest possible service to humanity, for I believe that in the maelstrom of racial conflict, which all thinkers visualize to be a certainty with respect to the fortunes of Africa, this motley group of Indians will, perhaps, I should say ought to, become the spear-head of the attack against the Whites on behalf of the coloured, meaning thereby the suppressed, peoples of the world.

As for South Africa, no one in this country wants any further opportunities for emigration. But India will never rest contented until the quarter of a million of her nationals in the Union are given a square deal by their White Masters. The Cape Town Agreement of 1927, subsequently reviewed in 1932, has committed the Union Government to a recognition of the fact that Indians in South Africa are nationals of the land, that they would be treated as such, and that they would be enabled to conform to Western standards of life in their struggle for existence as the buffer between the Black and the White. The Bantu in South Africa has White representatives in the Union Parliament but, as shown earlier, even the municipal franchise which Indians enjoyed in Natal was withdrawn in 1924. This lack of civic and political franchise became completely

enshrined in the policy of racial segregation represented by the Pegging Act of 1943, which is stated to have been withdrawn legally, but which continues through a round-about process, *viz.*, the condemnation of the Indian to a *regime* of the Ghetto, and denial of the right of economic equality as between Black, Brown and White, of the freedom of movement between one constituent Union of South Africa and another and, finally, of the right to freedom from want with equality of opportunity assured for gainful employment and a decent life and living.

I have always been a believer in the need of a United Non-European Front of the Bantu, the Coloured and the Indian, which is the only guarantee of their survival in the Dark Continent. Caste has been abolished among the Indian residents in South Africa, and we cannot have any caste as between the Black, the Brown and the White. It is not my thesis that there should be racial commingling or a mixture of blood in South Africa as between the various communities, but it is imperative that there is not any legal or administrative compartmentalization of the Indians inhabiting South Africa today. The White man's hegemony of the land which is based upon a system of economic slavery, which does not however look like slavery, will not be maintained for ever unchallenged by the suppressed peoples of the world, and if I am not mistaken the first shots in the fight for the economic and political freedom of the coloured peoples of the world will be fired by them definitely in South Africa.

For years past I have been actively engaged in the propagation of the need for the development and enforcement of sanctions by India against those countries in the world which violate with impunity their obligations to our nationals overseas. When the Pegging Act of the Union was rushed through the South African Parliament, even without so much as a semblance of consultation with the Government of India, I was about the first Indian publicist who demanded the enforcement of economic sanctions against South Africa. I had the good fortune to have been able to obtain the prior formal consent of the South African Indian community for such a drastic and vital step. The following are the principal extracts from a memorandum prepared and signed by me along with Swami Bhawani Dayal Sannyasi and Mr. Mahomed Ahmad Jadwat, the two representatives in India of the South African Indian Congress, and submitted on invitation to the Commonwealth Relations Member of the Government of India in the autumn of 1943:*

"The basic factors of Indo-South African trade are two: firstly, a considerable favourable balance of trade annually to this country; and, secondly, the preponderating position occupied

* *Economic Sanctions Against South Africa—Their Need and Feasibility*, by Swami Bhawani Dayal Sannyasi, Mr. M. A. Jadwat, and Dr. Lanka Sundaram. COMMERCE & INDUSTRY, New Delhi, 1944.

by Indian jute and jute manufactures exported to the Union. If we remember the gold, diamond and bullion imports into India from South Africa, the position would almost be reversed. Wattle bark imports into this country from South Africa do seem to suggest their comparable importance *vis-a-vis* our jute and jute manufacture exports to the Union, but we will examine this question separately below. According to official Union statistics in 1939 we exported to South Africa goods valued at Rs. 305 lakhs and imported from South Africa goods valued at Rs. 56 lakhs, thus giving us a favourable balance of trade of Rs. 249 lakhs. Excluding gold, in 1942-43 our exports to South Africa were roughly Rs. 1050 lakhs and imports from South Africa Rs. 250 lakhs, and our favourable balance of trade in 1941-42 and 1942-43 was respectively Rs. 464 lakhs and Rs. 824 lakhs. It will be seen that in view of the highly bloated price structure all over the world, these phenomenally rising figures relating to our favourable balance of trade must necessarily be misleading in so far as they are to be taken as a correct yardstick to delineate Indo-South African trade, and even though we have no detailed trade figures commodity-wise, we venture to believe that our deduction cannot be wrong when we say that these increased values do not even proportionately represent increases in quantities of goods exported to and imported from South Africa. We say with conviction and responsibility that any possible loss of this favourable balance of trade even on the high basis disclosed in 1942-43 cannot be an argument against the enforcement of sanctions against South Africa. We recall that when Europe fell to Germany we lost some Rs. 32 crores worth of annual export trade to that Continent, and that the declaration of war by Japan has led to a similar colossal loss of our trade with various countries to the east of the Bay of Bengal. We have not the least hesitation in declaring that, for the sake of restoring to Indians in South Africa their just rights, India would not grudge losing this favourable balance of trade, especially in view of the fact that it constitutes but a very small portion of our normal national favourable balance of trade and in the context of losses already incurred during these war years.

"Jute and jute manufactures, rice, textiles and clothing, oil seeds, oils and fats, *etc.* were, according to 1939 figures, the principal articles of export from this country to the Union. Jute and jute manufactures during the year have accounted for more than half of our total exports to the Union. We have reason for the belief that during these four war years we have been sending more jute and jute manufactures than before the war. We would emphasize the point that jute and jute manufactures constitute a world monopoly for India and that despite the suggestions canvassed that the Argentine is gradually becoming a jute-growing country and that there is the risk of substitutes coming into the field, we find on a thorough and competent examination of this complex and confusing question that there

is no possibility at all for South Africa, at any rate, for the duration of war and for a couple of years at least after the conclusion of peace, to obtain from elsewhere her requirements of jute packing material or substitutes thereto in the required quantities and of the requisite quality. We find that the Argentine herself is frantically trying to obtain jute manufactures from this country these days. In South Africa gunny bags are used for packing the following manufactured products: fertilisers, sugar, flour, cement, salt, lime, maize-meal products, *etc.* Jute bags are also used in the packing of the following agricultural products in the Union: wheat, maize, jowar, beans, millet, oats, potatoes, onions, tobacco, barley, maize-meal prducts, *etc.* Wool packs from India are used for packing South African wool, which is demonstrably the major agricultural industry in the Union. It will be thus seen that any embargo on the export of Indian jute and jute manufactures will almost completely deprive South African industry and agriculture of their basic packing materials, bringing in its train a considerable paralysis of the Union's economy. We find that rice exports from India, which were second in the order of importance in 1939, have today totally disappeared from our export list as far as South Africa is concerned, the prohibition having been enforced by this country on account of wartime exigencies and food shortage. A quarter of a million Indians in the Union, all of whom are rice-eaters, have gone without rice from this country during the past one year at least, and thus the theory that a ban on rice exports to South Africa would hit the Indian nationals there, does not hold water. Oil seeds, fats and wax from India go into the South African soap and edible oils and candle industry to a considerable extent, and any interruption of these supplies from India would make an impression on the Union Government and its White population. Considerable quantities of Indian textiles are being increasingly exported from this country these days to South Africa, not because of any particularly impressive reason affecting the clothing tastes of South African Indians these days compared to the years gone by, but because of the fact that the Union cannot get textile supplies from former sources like Lancashire, Japan, Italy, *etc.* owing to war conditions. We are convinced that the stoppage of textile supplies to South Africa, which is demanded by the Indian Exporters' Association and the African Exporters' Association of Bombay, would not mean that South Africa would be able to replace them in the quantities required from other countries for at least the next three years to come. We understand that considerable quantities of Indian yarn are being recently exported to keep the South African factories going, and any interruption of these supplies is bound to make the requisite impression on the Union Government and the White people of South Africa. Recently we find that larger quantities than before of cured leather have been going to South Africa,

particularly from India, and their deprivation would make a recognisable difference to the Union leather industry.

"Considerably over sixty per cent. of our imports (values) from South Africa are wattle bark and its extracts. We recognise that wattle bark is very much in the picture of the tanning industry of the world, but on inquiries we have made, it is found that several tanneries in this country have never so far used wattle bark and that *babul* and other indigenous materials containing the requisite tannic acid are being extensively used, and this statement is being made by us after an exhaustive personal inquiry into the tanning methods of at least one of the biggest tanneries in North India. We are advised that indigenous substitutes for South African wattle bark can be found in this country in quantities which will ultimately relieve our dependence upon the Union, even though we agree that the forthright prohibition of the import of this material from South Africa would create a very short-term problem for the tanning industry of this country. But this cannot be a relevant consideration which can demolish the case for the imposition of economic sanctions on South Africa at the present juncture, which self-interest, self-respct and a high regard for international rectitude of conduct, demand. There are no other articles of import from South Africa we are aware of, whose denial to this country (unless it be gold and diamonds!!) would create any vital or otherwise unfillable gap in our requirements.

"We would like here to discuss the manner in which Indo-South African trade is carried on. That is to say, who are the people who handle this considerable trade, and who would be affected when trade sanctions are imposed? Our information is based on first-hand knowledge of the trade though we must confess that this information is only illustrative and not exhaustive. We find that literally the whole of jute trade from India is handled by European firms and that at the South African end, particularly with reference to Natal, only Europeans import these goods. It is thus seen that almost the entire trade between South Africa and India in jute and jute manufactures is handled by Europeans, and that Indians on either side of the Arabian Sea do not come into the picture. Wattle bark trade is entirely in the hands of Europeans at both ends, the producers also being Europeans in South Africa. Oil seeds and oil extracts, *etc.* are similarly handled at either end by non-Indian firms. In regard to textile exports from India, only a few Indian firms are in the picture of big business. Our analysis of the situation shows that the carrying trade between India and South Africa is almost entirely in European and South African European hands, and that if at all Indians come into the purview it is only in an infinitesimally small way, and in terms of being the consumer also in a small way in South

Africa. The rigours of war have imposed many a self-denying ordinance on Indians in India and in South Africa, and trade sanctions on South Africa cannot have and actually have not any terrors for our 250,000 nationals in the Union. We feel confident that Indians in South Africa and also in this country will willingly and cheerfully shoulder any responsibilities involved in trade sanctions against South Africa, and the loss of exports to South Africa these days is more than compensated for by opportunities for selling these goods to the civilian consumer in this country who is practically starved of consumer goods, firstly, by the inordinate demands of the defence services, and, secondly, by a host of other factors which spring into prominence in wartime in any country in the world.

"There is a very important point which we would like to record here. The imposition of trade sanctions against South Africa, must be accompanied by guarantees that countries which are directly or otherwise contiguous to the Union would not obtain goods from this country and ship or transport them to the Union. The neutral country of Portuguese East Africa, with her emporiums of Delagoa Bay and Beira, and British possessions near South Africa like Zanzibar, Mauritius, Kenya, Tanganyika, Uganda and even countries like Madagascar, Egypt and other Near and Middle Eastern countries should be asked to give us guarantees that they would not attempt to sabotage the sanctions *regime* against South Africa, to ensure which stringent penalties and strict enforcement of quotas should be taken in hand by this country. It is palpably impolitic for India to permit unconscionably larger exports to any of these other countries than were in evidence during the past four years, and economic sanctions against South Africa must be regarded as in no way different from economic warfare which the Allies are enforcing against the Axis, through a system of complete blockade in the trade and supply spheres. There cannot be any half-way house in any *regime* of economic sanctions which any country happens to impose, and we cannot overemphasize this point in the context of the present deplorable episode pending between India and South Africa. We recall here the parallel of the unofficial boycott of the clove trade of Zanzibar just before the outbreak of the present international hostilities, and when it is recognized that these unofficial sanctions in the trade sphere were found to be successful in obtaining the results in view, *viz.*, the restoration to Indian settlers in Zanzibar of their just rights, it is not too much to hope that official economic and trade sanctions against South Africa will produce satisfactory results.

"We consider that the 'war effort' argument will be pressed into service by South African Whites, the Britishers in England and in India and by the weak-kneed Indians. Our reply to these people is that when the Union Government demanded the shedding of Indian blood and the expenditure of Indian economic

resources for the preservation of the territorial integrity of South Africa and still thought fit to reduce the ordinary human rights of Indian residents in the Union to those of a *regime* of the Ghetto, it is obvious that no one, particularly the South African White—much less the people of Great Britain—can have any justification to plead with India not to have recourse to trade sanctions to vindicate her own self-respect and protect the elementary human rights of her nations in the Union. Indian soldiers are still shedding their blood on various battle fields, and this sacrifice would be in vain if their compatriots in the Union are to be allowed to be treated as so many helots and as hewers of wood and drawers of water. The 'war effort' plea can only amount to rank hypocrisy if used by South Africa or by the die-hards in Britain, and the only self-respecting reply India can give is to return blow for blow. The neglect of this weapon for use in securing the just rights of Indians in South Africa would be the greatest crime which the Government of India would ever have committed in the chequered history of human freedom, to defend which the Allied Governments, including the Indian, are ostensibly carrying on this war with the Axis. Trade and economic sanctions are the best and the surest measure which India can adopt to bring before the bar of international justice, and the duty of the Government of India, and of the British Government to 400 millions of His Majesty's subjects is crystal clear in this respect. Enforce economic sanctions and win the right of India to freedom and international recognition—the alternative is the perpetration of the blackest possible chapter in human history by South Africa, to which the Government of India become a party, whether they like and admit it or not."

On November 4, 1944, for the first time in the history of India a *Gazette of India Extraordinary* was issued from New Delhi in the following manner: "Whereas the Central Government is satisfied that by the law and practice of the Union of South Africa persons of Indian origin are subject to certain disabilities in respect of entry into, residence in and the carrying on of trade in the Union of South Africa; now, therefore, in exercise of the Powers conferred by Section 8 of the Reciprocity Act, 1943 (IX of 1943), the Central Government is pleased to direct that the same disabilities as aforesaid or disabilities as similar thereto as may be shall be imposed in British India on persons not being of Indian origin who are domiciled in the Union of South Africa." Two other notifications of the Government of India issued on the same day declared that South African nationals resident in India will be subjected to disabilities which Indians resident in the Union are subjected to under the *regime* inaugurated by the Pegging Act of the Union in 1943, in respect of the acquisition, holding and disposal of property, and in respect of local franchise. These three notifications announced to the world the fact that the relations between India

and the Union of South Africa have reached a stage when "sanctions" are resorted to by the Government of India for the purpose of compelling the Union Government to do justice to their 250,000 Indian subjects. The strangest development in the constitutional and political practice of the much-vaunted British Commonwealth, which seeks to proclaim the virtues of British citizenship by virtue of an individual being a subject of the King, was exploded sky-high, and to Dr. N. B. Khare, the first Indian to hold charge of the newly-created Commonwealth Relations Department, goes the credit of precipitating a situation in which India found herself perilously near the position anterior to actual declaration of war between herself and the Union.

The dramatic manner in which the *Gazette* announced to the world on that fateful Saturday in November, 1944, the fact of this diplomatic breach, certainly has no parallel in recent history, and came as a surprise even to the people of India, who were following with breath-taking interest the developments in the Union with reference to the Pretoria Agreement between the Union Government and the resident Indian community, which the Union Government (a party to the Agreement) allowed the Natal Provincial Administration to unilaterally abrogate in terms of three ordinances, which prevent acquisition of property by Indians in certain areas in Durban and environs, gives the right to the Provincial Administration to appropriate Indian properties on certain specious and plausible grounds, and also gives the Natal Provincial Administration the power to invoke even health regulations for securing the ends of segregation of our nationals in Natal into certain areas.

Two days after the promulgation of the three Indian notifications setting into motion the reciprocity legislation against South Africans resident in this country (the South African troops being exempt from their operation), the Indian Central Assembly debated (November 6, 1944) and reviewed the East African and South African situations, on a Government motion, and carried a resolution urging the enforcement of economic sanctions against the East African territories and the Union of South Africa and the recall of the Indian High Commissioner accredited to the Union, in order that the Governments and countries concerned are made to realize the fact that there is no question that India would continue, as in the preceding one hundred years, to remain helpless when the rights of her nationals were trampled under with impunity, and in flagrant violation of the bilateral understandings and undertakings between India on the one hand and overseas countries on the other. I sat continuously for ten years in the press gallery of the Indian Central Assembly, but never have I noticed the unanimity of views expressed both by official and non-official members, with the exception of the European Group, on the question of sanctions against East African territories and South Africa. Indeed, the Commonwealth Relations Member wanted "to declare war" on South Africa, if such a course were

feasible in terms of the existing constitutional position in the country, and Sir Sultan Ahmad, Member for Information and Broadcasting, told the world that there was no question that India would continue to remain helpless when the interests of her nationals overseas are in jeopardy. Indeed, I have heard more vehement speeches on that historic Monday from the Treasury Benches than from the Opposition members of the Central Legislative Assembly, and the Government of India were committed to the ultimate enunciation of a policy of sanctions, which I have advocated even eighteen months earlier. The sanctions question is being actively investigated as I write these lines, and there is no doubting the fact that this important instrument in the hands of India would be utilized in the coming years against any country, including South Africa, which takes it into its head to spoliate the fortunes of our nationals overseas.

As one who has taken considerable part in the modulation of the views of the Indian community in South Africa and public opinion in this country during the past few years in respect of the Union Indian question, I must record here one or two other points of importance. Field Marshal Smuts declined to grant an interview to the executive of the South African Indian Congress for the discussion of the issues involved in the three Natal Ordinances, which were rushed through the provincial legislature in unilateral repudiation of the Pretoria Pact to which he was a party. But that was before the resolution of the Central Assembly in India. Three weeks after the Government of India declared their adhesion to the sanctions policy in the light of the debate in the Indian Central Assembly, the very same Field Marshal Smuts received a memorandum from the deputation of the Natal Indian Congress, and a few days after sent in his reply to the memorandum (December 6, 1944) in which he declared that the Natal Ordinance No. 1 was *ultra vires* the Pretoria Pact, and that the Pretoria Pact has fallen into diseutude, while it is made known that the Union Government might themselves bring in legislation which is capable of treating Indians and Whites on parallel lines. A few hours after receiving this letter of the Union Premier, the Natal Indian Congress withdrew its representatives from the Broome Commission of Inquiry, and thus, the situation is arrived at when the decks for both South Africa and India are to be understood to have been cleared afresh, completely of the *debris* of the past several years of acrimonious controversy.

The future course of action in India depends upon the Union Government's ultimate moves, but it is obvious that the time has arisen when a mixed commission of the Governments of India and of the Union investigated the working of the Cape Town Agreement of 1927 which has not been done since 1932. The two smaller Natal Ordinances, which Field Marshal Smuts has not declared *ultra vires* the Union constitution must be abrogated, and an honourable Gentlemen's Agreement arrived at in which Indians in the Union obtain non-communal parliamentary and municipal

franchise. Once this is secured, the Government of India would consider the Indian question a domestic one pertaining to the Union, but in default of the same, India is bound to utilize all her resources to break the back of South Africa, in addition to invoking the moral support of world powers for what it is worth, in order that Indians in South Africa are not consigned to the *regime* of a Ghetto by the Whites of that country. The South African developments in terms of the decisions of India are historic, and hold out the promise that the Mother Country would not in the future let down the interests of her nationals, some 4,000,000 resident overseas.

A national Government in India would have enforced these sanctions by now and thus ensured Indian rights in South Africa. A National Indian Government would one day, and that too very soon, come into existence, and would certainly enforce such of the sanctions it has at its disposal for ensuring Indian rights not only in South Africa, but also in any other part of the world where Indian nationals are assailed by their White masters with a view to reducing them to the position of serfs.

In regard to East Africa, which has a tremendous scope for further development, the Indian must be assured of his rights. He naturally forms the connecting link between the economy of the *kraal* and the White man's civilization, the functions which were recognised even by the veriest die-hard from England, and even by the German slave drivers who held German East Africa (now Tanganyika) under their sway till before the end of the last Great War. Twenty years ago, the Wood-Winterton departmental agreement between India Office and the Colonial Office made an award in favour of Indians in respect of a common electoral roll, and rejection of segregation, but the "open rebellion" of 10,000 Kenya Whites almost unnerved His Majesty's Government for nearly three years. Indians in Kenya never feared a possible "Boer War" in East Africa, but London moved warily from the Dual Mandate of Lord Lugard into the affirmation of the "Paramountcy of the Native." This is a doctrine which India does not resent, but there cannot be any question that the Parliamentary Paper of 1923, which enthroned this principle on a racial pedestal, cannot be the smoke-screen behind which a handful of Whites are to assume the hegemony of the land to the detriment of the indigenous and Indian immigrant populations. The motley crowd of Europeans, which wants to annex unto itself the spoils of political power accompanied by the gains of economic domination, cannot be allowed to do so, not only in the specific personal interests of our nationals but also in the interests of the vast numbers of the indigenous populations of the lands concerned. Closer union, as advocated by Lord Cavendish Bentinck would mean the centralization of administrative control in the hands of the Whites of Kenya and, as a

corollary, the destruction of whatever small guarantees exist today for the protection of the interests of the indigenous and emigrant populations of Tanganyika, Uganda and Zanzibar.

The world might federate in the interests of the larger peace of humanity, but East African territories would federate only for the purpose of destroying even the small economic and political margins of the millions of suppressed Black peoples of the territories concerned, so that their White masters might declare a Roman holiday. India would resist any proposal for the creation of the East African territories into a Dominion of the type of the Union of South Africa. India would resist this proposal, not merely for the protection of the interests of her 300,000 nationals in the countries bordering the East African littoral but also, as I have said earlier, with a view to making her small contribution to the preservation of the just rights of the indigenous inhabitants of these countries. Emigration restrictions and other impediments thrown in the path of trade (and 172 out of 212 ginneries in Uganda are held by the Indians —an index of our economic stake in East Africa), racial segregation, lack of a common electcral roll, *etc.*, are but small things compared to the huge drama of inter-racial conflicts which is already being enacted and which will flare up without mitigation in the near future. Thus, the leadership of India is not only needed for ensuring the rights of half a million Indian residents in the Dark Continent, but is also needed in the interests of millions of the suppressed indigenous people, whose right to survival is no less a human need than the right of India to survival.

MAURITIUS AND FIJI

The fortunes of Indians in Mauritius belonging to the Indo-African system and in Fiji which is the principal country of the Pacific region, who have become grouped together into considerable populations, can be taken together for the purpose of this enquiry. Nearly seventy per cent. of the population of Mauritius is Indian, and there is almost one Indian for every single Fijian in the Fijian group of Pacific Islands, with the result that as the years roll by the problems of Mauritius and Fiji Indians would be more and more those of a balance of political power as between themselves and the indigenous inhabitants on the one hand, and as between themselves and the indigenous inhabitants on one side and their colonial masters on the other. In both these countries the ravages of the Indenture system of old, which led to investigations by the late Dinabandhu C. F. Andrews and Mr. W. W. Pearson with reference to Fiji in 1917 and by Sir Maharaj Singh in Mauritius in 1925, have left behind their indelible marks on the daily life and living of our nationals.

In the case of Mauritius, even though Sir Maharaj Singh found that nearly 40 to 42 per cent. of the agricultural land of the colony is owned and cultivated by Indians, it is obvious that the vast majority of our nationals are more or less serfs bound to the sugar estates in particular, as the shootings of September 1943 thereon have shown with such startling clarity. The indebtedness of Indians in Mauritius caused by the grip of the *baillures des fondes*, the financial agents who advance money to the Indian community, must be removed in the not distant future, if our resident community there is to progress from precedent to precedent. It was noticed that, even during the pre-Depression days, a considerable proportion of the lands held by our nationals in the Island had gone out of their possession and been taken over by these financial agents, whose depredations are apparently left unchecked both by the local Colonial Government and almost unnoticed by the Government of India.

The Report of the Royal Commission on Mauritius, issued in December 1944, stressed the "unduly low" wages of Indian workers, their lack of organization into industrial associations, the inability of the employers to get out of the old belief in "cheap labour of low standard," and the paramount necessity for the "re-orientation of all classes towards their common problem," which, if found necessary, must be "enforced by the action of Government." This is all only too true, and it cannot be over-emphasized that, unless a socio-economic re-alignment is made possible in the Island, there would not be much scope for our community to thrive as a compact and progressive entity. I do not wish to be called a jingo, but I would like to see created for Indians in Mauritius a position analogous to that of the Japanese in Hawaii prior to the outbreak of the present international hostilities.

India does not want to be charged with any design on her part to exploit countries which are less fortunate than herself, but it is clear that the Indian contribution to Mauritius, both in terms of population proportion and economic stake being what it is, there is no getting away from the fact that the Island must develop on lines which would give our nationals resident therein the dominant voice in the management of its fortunes. One mentally conjures up pictures of overseas Indian colonization in various parts of what is now called South-East Asia hundreds of years ago, when one visualizes the problems of the present and the future of Indians in Mauritius. As everywhere else, the Indian question in Mauritius today is at once one of political and economic equality and rights, and requires the constant attention not only of the Mother Country, but also of the Colonial authorities themselves, if it is to be solved to the satisfaction of all the sections of the community concerned in that island.

The Fijian Indian question is almost identical with that of the Indian community in Mauritius. The Colonial Sugar Refin-

ing Company, the Fiji-Vancouver Corporation, the Melbourn Trust and Lever Brothers dominate all the productive activity of this group of Pacific islands, and as in the case of Burma, as we have seen earlier, it is the White man's exploitation *versus* the constant resistance put up by the Fijian and the Indian against it, which fills the canvas of the problems of Fiji. Some of the darkest episodes in the dark history of Indenture were enacted in Fiji, and if Indians today are able to straighten up their backs and face the future with self-respect and confidence in their ability to become decent citizens of their adopted land, it only shows the innate aptitude of the average Fiji Indian for creative work. As in the case of Kenya, Indians in Fiji do not want the communal representation which has been in force during the past twenty years, and which has produced almost an epitome of some of the communal problems of the Mother Country ever since the introduction of the Minto-Morley Reforms. It is a favourite trick of the Colonial authorities to break up the solidarity of the Indian communities resident overseas by dividing them into watertight compartments of socio-religious groups, always telling them that their Mother Country is having this classification, with the result that any concerted effort on the part of our nationals abroad, to band together and face up to the constant emergency created by the exploitation of the White man and the rigorous grip of the local administration, is frustrated with consequences which can be easily understood, and which in any case do not help in the solution of the problems of our nationals overseas.

It is to be trusted that the Indians and the Fijians, who almost equal the other in terms of numerical strength, consider themselves as partners in the grand adventure of reaping the fruits of Mother Earth, than as rivals in a game on the chess board dominated by their common White masters. Recent indications show that the Fijian is becoming restive, thanks largely to the insidious propaganda of the White man himself, who is trying to pitt him against the Indian, in order to get rid of the latter, who had slaved and cleared the bush and jungle of this undeveloped group of Pacific islands for nearly a century, so that when once the Indian is removed from the islands he would have no difficulty at all in dealing with and disposing of the interests of the Fijian, as the Australian and the New Zealander had done with reference to the Maori. At one time the Indian problem in Fiji was summed up in the four Urdu words—*pet* (livelihood), *izzat* (respect), *insaf* (justice) and *jehaz* (shipping facilities for returning home). The problem is today not widely dissimilar to what it was as described decades ago with these four words. It is clear that constant intercourse must be kept up between the Mother Country and Fiji, where Indians lack the educational facilities, medical and other relief to the extent to which their numerical strength and the contribution they have made and are

making to the economy of the land, demand. In the old days emigrant ships bringing back to India the manumitted Indian indentured labourers took back fresh streams of Indians, both indentured labourers as well as free Indians, to Fiji. Apparently, this intercourse between Fiji and India is now not possible, not only because of the situation created by the international hostilities, but also because for years together the need was not felt by the Fijian authorities to send ships out to this country to return back to us some of the settlers from Fiji, as they used to do every year towards the end of the last century and even till the end of the last Great War, and could not do so because they cannot (as they do not wish) bring back afresh Indians from India, with the result that the chartering of ships for a one-way traffic became uneconomical. I shudder to recall the plight of some of the repatriated Fiji Indians who at one time used to be huddled together at Akra, a suburb of Calcutta. They used to return to India as derelicts and they were almost unwanted by the Mother Country, the callousness of whose Government, which is dominated by His Majesty's Government, constitutes a disgraceful chapter in human history. Fortunately, these incidents have disappeared owing to war conditions, but I would not be surprised if they crop up again after the present war is over.*

The resultant position is that Indians in Fiji today have become permanent settlers of the islands, and that they have elected to stay permanently in the land of their adoption. I am most anxious that these 100,000 Indians in Fiji should not be "marooned" and left to the tender mercies of the White *entrepreneur*, the stimulated racial hatred of the indigenous Fijian, and the step-motherly treatment given to them by the Colonial administration and by His Majesty's Government. Recently, efforts were made to send across to Fiji a selected group of Indian educational men and women, and it has to a certain extent revived, in the hearts of our nationals in that distant part of the world, hope to acquire and enshrine the rudiments of Indian culture and civilization in a manner worthy of their Mother Country, but until political power is won, the Indian in Fiji would not have his rights established. Until these rights are established, it is also not conceivable that the problems of Indians in Fiji can be considered to have been solved to the satisfaction not only of our nationals, the indigenous Fijian, and even for that matter the Colonial Sugar Refining Company.

THE CARIBBEAN ZONE

From Fiji to the Caribbean zone is perhaps the longest hop in our world survey of Indian emigration problems, though to a

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* See my statement on the conditions of these repatriates from Fiji and other British Colonies after I completed my investigation of Akra Camp in 1934, *Vide*, *Statesman*, Calcutta, June 17, 1934.

certain extent the Fijian and the West Indian set-ups are almost identical in character. Both have a considerable number of indigenous inhabitants who are just emerging out of feudalism, and who are being gradually swallowed up by the so-called Western civilization which, while not making them representative men and women, adorns them with all the external trappings of civilization in which, to quote the words the Earl of Crewe uttered as Secretary of State for India before the last Great War with reference to the "poor White" problem in South Africa in juxtaposition to that of the Indians in the Union, drinking rum and eating pork are the outstanding accomplishments of the human personality. Incidentally, again, Indians in the West Indies have a parity of numerical strength as far as the indigenous inhabitants are concerned, in almost the same proportion as Indians in Fiji have, with the exception perhaps of Jamaica and Surinam where the problems are of smaller magnitude.

In British Guiana and Trinidad, the progress of the Indian community has been considerable, since the abolition of Indenture three decades ago. If a decade and half ago, the Nunan-Lukhoo deputation of representative Indians which came over to New Delhi did not secure the resumption of Indian emigration, it was entirely because of the fact that the Government and the people of India did not want any further trouble being created by any such resumption. Sir Cecil Clementi, when he was Colonial Secretary of British Guiana, wrote in 1919 in a Combined Court Paper of that colony, that "it would, however, be sheer folly, indeed it would be immoral, to take steps to introduce immigrants in large numbers into British Guiana, without at the same time taking steps necessary to keep them alive and in good health." It is clear that even though there is considerable scope for further settlement of Indians in British Guiana and Trinidad, India would never be a party to such an arrangement, unless the amplest guarantees are forthcoming that our nationals in that distant part of the world would be assured their just rights.

Numerous Commissions of enquiry, from that of Dewan Bahadur Kesava Pillai to the Moyne Commission, with reference to which the Government have deputed Mr. J. D. Tyson to look after the Indian case, have established one fundamental fact about the Indian sojourn in the West Indies group of countries. It is that the moral and material well-being of our nationals in the Caribbean zone is a question of far greater importance than that of even political representation, because of the fact that the toll of Indenture has been particularly disastrous all these long decades. The Man-Power Citizens' Association, an Indian Trade Union organization in British Guiana, led by my friend, that able Indian, Ayube M. Edun, has been doing yeoman service to the cause of the plantation workers in Demerara and Barbice provinces, and if these workers had to clash with both the plantation-owners and the Government of

the colony, as was the case a few years ago, it was entirely due to the fact that wage levels,living conditions and the social position of our nationals were perhaps the most deplorable and cry out for immediate rectification. The Trinidad Indian has also problems of similar character and, generally speaking, the minority populations of Indians, some 50,000 in number, in Surinam (Dutch Guiana) and some 10,000 in Jamaica also belong to the same type.

The Moyne Commission of inquiry held out a tremendous prospect for social and economic development of the British group of colonies in the Caribbean zone in the post-war period, and already the Colonial Office is spending considerable sums of money to bring about an immediate improvement therein. There should be an assurance, however, that the Indian in Trinidad and British Guiana, not to speak of Jamaica, would be given his due place in this Imperial or Colonial drive to make these countries progressive, and until this is forthcoming it is obvious that the problems of Indians in the West Indies would not show the improvement they ought to. In view of their numerical strength in and economic contribution to British Guiana and Trinidad, our half a million Indians in this part of the world require a political weightage which is capable of ensuring to them opportunities for improvement and self-help, and consequently the existing restricted type of communal representation must be done away forthwith. Fortunately, there are no racial complications in this part of the world, with the result that an Indian like Mr. K. C. Lukhoo became a King's Counsel, an achievement for which there is hardly any parallel in any other colony of the British or non-British systems.

The urgent problems of Indians of the West Indies system must be noticed here. One is that Indians, particularly the Hindus, are not conceded the right to cremate their dead, for, curiously enough, cremation is considered by the Colonial authorities as a form of disposal of the dead which is unhygienic and, hence, anti-social !! The Hindu takes his personal law with him wherever he goes, and the denial of this right to cremate the departed is to him not only a sacrilege in the eyes of his fellowmen, but also a subtraction from his citizenship rights which he would not tolerate. If today the colonial governments of Trinidad and British Guiana are depriving him of this essential right with such impunity, it is because of the utter callousness showed by the Government and the people of India.

The other and, perhaps, more important thing to be set right in the colonies of the Caribbean zone is the non-recognition of the marriages of the Hindus and the Muslims which are performed according to their religious codes. It is quite conceivable that in the early days of Indenture civil registration was found necessary to guarantee that no irregularities existed in the marital relations of the incoming Indians, but it is fantastic to be told

that, even after the entire Indian population of these countries has settled down there permanently and is almost bottled up into compact little groups of communities and are known to be essentially law-abiding, that their "religious" marriages cannot be considered as legally valid. Just as the Hindu carries with him his personal law, so is the case with the Muslim, and this particular aspect of the question must be looked into without any further loss of time, if the long pent-up sense of grievance among our nationals in the West Indies is not to erupt one fine morning like a volcano and set ablaze the entire administrative and social system of the countries concerned.

There is a certain amount of praedial larceny visible among Indians in a country like Trinidad and to a certain extent in British Guiana, and this obnoxious inducement to our settlers in the West Indies can only be removed when a scheme of land colonization, with the social and economic rights of every individual member of the Indian community satisfactorily guaranteed, is introduced. When Hitler started his Jew-baiting, both His Majesty's Government and the Government of British Guiana appointed what was known as the Hinterland Development Committee, for the special purpose of opening up the interior of the colony for the permanent settlement of emigrant Jews from Germany and other central European countries. India has certainly no difficulty with any international scheme for the relief of these wretched Jews of middle-European countries, but with the history of Palestine so vividly present before us, it is obvious that this constitutes a difficult problem for India in British Guiana, in so far as the colonization of the Hinterland of that colony by the Jews is concerned.

As I have said above, a scheme of land settlement intended to split up the concentrated groups of Indians on the sugar and rice plantations, in particular of British Guiana and Trinidad, is a very vital need of our resident communities in this distant part of the world, and this alone can guarantee to our nationals there an opportunity to settle down in gainful employment and to contribute to the general economic development of the countries of their adoption. The Hinterland Development Committee's work is slightly obscure these days, on account of the difficulties created by the present international hostilities, but I am afraid until the Government and the people of India scrutinize carefully the implications of any present or future move for the colonization of West Indian colonies by European Jews, there cannot be any guarantee that the rights of our nationals in this distant part of the world would be properly protected. Incidentally, the rights of the indigenous inhabitants of these lands cannot also be ignored. The present system of plantation employment must be done away with, and peasant proprietorship, both for the Indian and the Mulatto, must be brought into existence, so that there would be a redistribution of population of a type with a view not only to

add to the productive wealth of the countries concerned but also to assist in the gradual evolution of these two communities, which today form the entire population of the countries concerned. By all means let the Jews go and settle down in British Guiana, but let it not be said that they do so at the expense of the indigenous and the immigrant populations of the country. British Imperialism would one day crack up on account of the thoughtless programmes of action represented by the Balfour Declaration with reference to Palestine, and it is to be sincerely trusted that the doleful tale of Palestine would not be repeated by British Guiana or, for that matter, by any other country of the West Indian group.

India has a vital stake in this vast international question, for the problems of some half a million Indians in the Caribbean zone would not continue to remain static, as they have remained static during the past hundred years. With the progress of education, and with the acquisition of wealth—two significant pointers to the future well-being and security of our resident communities in this part of the world—Indians in the Caribbean zone would have a tremendous part to play in the evolution of the future set-up of West Indian civilization. The protection of their rights is as much a sacred trust of His Majesty's Government, as that of the Government and the people of this country. Eternal vigilance is the price of liberty, and today there is need for eternal vigilance in the Mother Country, as far as the fortunes of our permanently settled nationals overseas are concerned. The introduction of Jews into the West Indian economy might one day lead to a recrudescence of the problems of Indians in South Africa in that distant part of the world, and it would be a sad day indeed for India, for England and for the West Indian countries themselves, if unbridled, unplanned, and unlimited Jewish emigration is allowed to percolate into that difficult part of the world, where the Black, the Brown and the White commingle into the strangest possible agglomeration of racial-economic patterns.

GOVERNMENT OF INDIA AND INDIANS OVERSEAS

I have so far reviewed the doleful history of a hundred years of Indian emigration overseas, and indicated some of the most pressing problems of our nationals in almost all the principal countries where they are settled today. A word here is now necessary about the attitude of the Government of India to these problems. The following is what I wrote in 1933:* "The other conclusion is that the Government of India, not being a national government, it is pretty certain as far as emigrant countries are concerned, cannot effectively protect our nationals abroad. This assurance has helped these countries to carry on their oragnized

* See my book *Indians Overseas*, pp. 173ff.

campaign against Indians both in the economic and social planes with a view to humiliate and finally to exterminate them. Further, the fact that the present Government of our country is unable to bargain successfully in the international world for just treatment of our nationals, has also provided some countries with opportunities for discriminatory legislation being put into operation with impunity."

Proceeding, I observed: "When the new constitution takes shape, the present congested Department of the Government of India, Education, Health and Lands, which is so far dealing with the problems of Indian emigration, should give place to a more centralized and efficient department of External Affairs. The Dominion of Canada and the Irish Free State have each a department of that type, and this precedent can be pressed into our national service for the better regulation of official action, whenever Indian interests abroad are in jeopardy. An Indian Minister at the head of this Department of External Affairs is bound to secure a better hearing than has hitherto been possible, and thus protect our vested interests in migrant countries. The Indian emigration problem is bound to resolve itself into an international race problem, and a national executive at New Delhi is sure to handle it with ease and effect."

I am gratified to note that the persistent agitation, which I have kept up during the past twenty years, has been partly responsible for the separation of the mixed functions of the old Department of Education, Health and Lands and the creation of the Indians Overseas Department in the expanded Executive Council in 1942, which has now been converted into the Commonwealth Relations Department. The constitutional position of this country these days is well understood, but tomorrow the constitutional position would have to be altered in the only manner possible, *viz.*, the creation of a full-fledged External Affairs Ministry, with full-fledged diplomatic representation as in the case of Australia, State of Eire, *etc.* I would emphasize that today the External Affairs Secretary of the Government of India is not a member of the Executive Council, but is directly responsible to the Governor-General. This position, I must confess, is not only halting, *ad interim* but unsatisfactory, and cannot be allowed to continue for ever. The appointment of a Director-General of Indian Emigrants in 1944, is a step in the right direction, but the mere appointment of officers in India and even representatives abroad is not the real solution of the problem of Indians overseas. A National Government, with a fully developed technique of negotiation, with such sanctions as are at our disposal, is the only guarantee to our four million nationals overseas that their rights would be well-looked after.*

* Further examination of this question is made in the next chapter.

FUTURE OF INDIANS OVERSEAS

As I visualize the future of Indian emigration, two weighty considerations force themselves upon me with irresistible vigour. In the first place, it is the duty of the people and the Government of India to do everything in their power to protect the interests of our 4,000,000 nationals overseas, and to see that in their struggle for existence and survival in distant lands, most times numerically submerged by the indigenous populations, they have not only the moral support of the Mother Country, but also the diplomatic and, if necessary, the political support of the Government of India. In the Memorandum I wrote at the request of the Commonwealth Relations Member of the Government of India on the need and feasibility of economic sanctions against South Africa, quoted earlier, I and the two representatives of India of the South African Indian Congress, after examining the mass of statistical data relating to Indo-South African Trade and even after taking note of the favourable balance of trade which we enjoy, have strongly advocated the need for the development of sanctions against any country which seeks with impunity to spoliate the interests of our nationals overseas. I wrote in connection with South Africa as follows: "There cannot be any half-way house in any *regime* of economic sanctions which any country happens to impose and we cannot over-emphasize this point in the context of the present deplorable episode pending between India and South Africa. We recall here the parallel of the unofficial boycott of the clove trade of the Zanzibar, just before the outbreak of the present international hostilities, and when it is recognized that these unofficial sanctions in the trade sphere were found to be successful in obtaining the results in view, *viz.*, the restoration to Indian settlers in Zanzibar their just rights, it is not too much to hope that official and economic trade sanctions against South Africa will produce satisfactory results."

After the war, there would be a cry for resumption of emigration of some sort to Ceylon. After Liberation, both Malaya and Burma would also assuredly come to New Delhi for some assistance in the sphere of supply of man-power. Actually, the *emigre* Government of Burma had already requested and obtained an assurance of labour supply on a semi-military basis. The emigration of non-labouring Indians to the countries bordering the East African littoral would also proceed in the same manner in which it would be the case with reference to Ceylon, Malaya and Burma. In November 1944, an Indian youth sought my advice on his recruitment by the Federal Public Service Commission in India for service in the British Somaliland!! There is as yet no possibility for countries like Fiji, Mauritius, South Africa, British Guiana and Trinidad to obtain, normally speaking, further shiploads of Indian emigrant labourers, as was fully demonstrated to the British Guiana Deputation to India in 1928. Thus, the immediate problems of Indians overseas in the post-

war period would resolve themselves into those dealing with the conditions under which unskilled labour emigration should, if at all, be permitted to Ceylon, Malaya and Burma; the manner in which intercourse should be kept up with East African territories and others by that continuous stream of traders and merchants from this country which has enriched the economic activity of the lands of their adoption; and the effort which is calculated to secure a satisfactory and honourable solution of the almost "stabilized" problems of resident Indians wherever they might be—in South Africa, in Fiji and in the Caribbean zone. The Government and the people of India must use every legitimate weapon in their hands to secure to these categories of our nationals abroad their essential rights.

The other important problem, which would impinge upon our public discussions after the conclusion of the present international hostilities, would be whether or not India should find suitable outlets for her teeming millions in countries which are underpopulated, economically under-developed and territorially capable of receiving selected communities of organized and trained Indians. When South Africa wanted to get rid of our nationals over a decade ago, the colonization of the waste tracts of Borneo by these South African-born Indians was mooted, but with negative results. I visualize the possibility, in the light of the tremendous amount of destruction of material assets which had been gone through,, particularly in countries belonging to what has been termed as South-East Asia, during these war years, that some sort of necessity for India to obtain a small opening or a series of small openings for the colonization of some of the countries of the East Indies group, comes into the horizon. Before the Treaty of Versailles was drawn up, a proposition was mooted that India should be given a Mandate over German East Africa (now Tanganyika), but India did not get it because of the fact that she herself did not enjoy political freedom, with the result that she could not be expected to become the Mandatory power on behalf of Tanganyika.

No one can say whether the Mandates System would be revived in the future world reorganization arising out of the shambles of the present war, but it is clear that some sort of Trusteeship on the part of the superiorly equipped and progressive countries would be imposed upon economically weak, politically unstable and racially "uncivilized" countries of the Tropical Belt which, curiously enough, flank India both to the East and to the West. India, which is herself trying to emerge as a national sovereign State and which has a host of problems of almost an insuperable character to face and solve, would not be anxious to take on herself the responsibility for the organization and control of the economic, social and political life of communities under any system of Trusteeship or Mandates which is likely to be evolved by the big Powers of the West. But it is obvious

that if such a system of Trusteeship or Mandates comes into existence, there must be provision made for India to have an opportunity of contributing her own little quota to the betterment of the fortunes of the undeveloped and unequipped countries of the world, which happen to be her neighbours. As I have mentioned at the outset of this chapter, the achievements of India in the sphere of colonization in the historic times had been enormous, and if today, for argument's sake, India were given a sphere of influence over some of the countries of South East Asia and of the East Indies Group, there cannot be any doubt that she would be able to tackle the problems with greater ease and felicity than the Western Powers, on the assurance that the fortunes of the indigenous inhabitants would be better dealt with than by either strangers from the West or from the East who, ethnologically, culturally and even from the linguistic points of view, have nothing in common with the peoples concerned.

I am not in favour of an aggressive expansionist policy for India in the future set-up of world affairs, but I would resist any impediments thrown in the way of India to obtain a proper share of the re-delimited freedom of world organization, in which either Trusteeship or Mandates become integral parts. The tremendous contribution in men and money which India has made and is making to the successful conclusion of the present international hostilities, is only an ancillary argument in favour of a proper apportionment of responsibility for the ordered government of those parts of the world which depend upon guidance and assistance from better equipped countries and peoples. Incidentally, the conceding of this right to India would mean a reversal of the policy of colonial expansion and exploitation, which for more than two centuries had become a ruthless instrument in the hands of European and American colonial powers to the permanent jeopardy of the interests of the indigenous inhabitants of dozens of countries belonging to the Torrid Zone both in the East and the West. I would like to visualize a picture in which the Indian, and not the White Man, becomes the guide and friend of the Bantu, the Swahili, the Kikuyu, the Balinese, the Karen, *etc.*, in substitution of the merciless exploitation of these hapless people by their White masters. The emergence of India as a sovereign national State, with a genuine appreciation of the problems of suppressed peoples, which she has perforce obtained during two centuries of British domination and suzerainty over her, would be a guarantee that principles of justice and fair-play would come into operation to a greater extent than before in relation to the fortunes of those peoples in the world, who require outside assistance to emerge triumphantly from the stage of non-freedom to liberty, than all the highfalutin ideas of White Man's Burden, *etc.*, which Mr. Churchill so adroitly canvasses these days.

The expansion of India in overseas countries in the generations to come is likely to become almost inevitable, but no one in

India with a knowledge of the troubles and tribulations which we had gone through in respect of one hundred years of Indian emigration overseas, would take up the responsibilities either light-heartedly or without a sense of responsibility. But any *regime* of Trusteeship or Mandates which is likely to be evolved by a Peace Conference of the future would have to reckon with our legitimate international interests, and the *role* of the peace-maker which India has to play between the White, the Black and the Yellow, with the result that the new-born Indian freedom becomes the only yeast which could leaven the organization of international life on principles of justice, economic equality and inter-racial collaboration. The other alternative is the recrudescence in the most violent form of an international racial war, in which Indians naturally become the leaders of the Black, the Brown and the Yellow peoples of the world, in a holy crusade for all time against White exploitation.

CHAPTER V

FIGHT FOR FREEDOM

Britain's 'Achievement' In India—From Sir Thomas Roe to Aligarh Movement—Khilafat Resorgimento And Repression—Political Spoils And National Schisms—Cripps' Offer For Division of India—National Demand For Freedom With Unity—India and World Community—India at Future Peace Conference—Indian Sovereignty And International Recognition.

An inscription on the main gates of the Imperial Secretariat in New Delhi runs as follows: "Liberty will not descend to a people. A people must raise themselves to liberty. It is a blessing that must be earned before it is enjoyed." I would gladly like to believe that the builders of the modern Imperial Capital for India had no desire to hurt the feelings of my fellow countrymen, whom they and their masters in Britain have kept under subjugation for two centuries, though I know within my own heart that the genius who had picked up this brilliant historical truth, for the benefit of both master and slave in this country, had only one purpose to serve, *viz.*, to exult in the triumph of his Imperialism and to drive the mere mortals of this country into a feeling of cowed awe. Indeed, freedom does not descend to a people, and the people of India are surging forward to reach freedom and to retain it against attack both from within and without, even at the risk of being misunderstood by the world community. Once India's freedom is won and stabilized, she is bound to become a benevolent factor in the organization of the relations between man and man, and country and country, almost to the end of time.* In this chapter I propose to discuss this cardinal problem of Indo-British relationships, if only to show, in the light of the discussion of the preceding pages, the manner in which India can hope to stabilize her position in the polity and economy of the world, which gives to her her due rights, without endangering those of the rest of the humanity.

For hundreds of years India has awaited freedom. The early Muslim invaders arrived in India as freebooters and birds of passage, but their later influx tended towards the creation of a permanent interest and even the indelible merger of foreign blood with Indian blood, with the result that, even before John Company and its functionaries started their adventures in our midst, a new pattern of society, culture and even polity had gradually emerged from out of the predatory exploits of the early Muslim conquerors

* See my paper entitled "India and World Politics" in the *Queen's Quarterly*, Kingston, Canada, July 1931, pp. 239-262.

of this land. I had always felt that had not the discoveries of Galileo, the invention of gun-powder and modern methods of ship-building and the early crude forms of mercantilism and a host of other developments which had made European Imperialism what it was during the past three centuries, been there, there would not have been the put-up show of Hindu-Muslim consciousness in conflict, even among the educated unemployed and exploiting type of people these days in my country. Perhaps, we would have developed a polity of an inward character, which finds its roots in the marvellous work of integration achieved by Sher Shah and Akbar, in which Hindu and Muslim and the conqueror and the conquered lost their meaning, very much as the difference between the Saracenic and Hindu conceptions of art and architecture had lost their meaning, if only to bring into existence eternal monuments like the Taj Mahal and a host of others extending over the length and breadth of the country, as imperishable vestiges of the combined creative effort and harmony of the ruler and the ruled.

But this was not to be, since John Company and its legal successors had arrived in India, first as sea-faring pedlars and junkmen, then as buccaneers, and finally as the precursors of an Empire, with the result that the freedom which came within our grasp and the unity which gave such eloquent testimony in 1857, had been lost, inspiring only a long quest for its recovery, however hard the going might be. If the British in India had come to stay and to get merged with the people of the land, in the traditions of the Muslim merger indicated above, I am sure there would not have been the troubles of the present-day in terms of the colossal conflict between Britain and India in the political, economic and social spheres. It is seldom realized in this country, and more so abroad, that the Indo-British conflict is not merely the insistent revolt to obtain political freedom by the people of this country against Britain. On the contrary, political freedom did not have, and certainly does not have, any meaning at all if it were not accompanied by economic freedom. In fact, the basic approach of Britain towards India is not merely motivated by the retention of an Empire to be flaunted in the face of the world, and the merciless exploitation in the economic sphere of the people of this vast sub-continent for the benefit of the British people becomes a factor of enormous importance in any analysis of Indo-British relationships of the past two or three centuries. I do not believe that the average Britisher visiting the Tower of London would, as I did for other reasons, go into hysterics at the sight of the Kohinoor studding the Imperial regalia. But I do know that the average Britisher, whose standard of life and living would have its bottom knocked out the moment the Empire vanishes into thin air, would certainly be deeply disturbed once the essential bases of Indo-British relationships are destroyed, and these bases are not military and political, but economic.

I have said earlier that politics is not the only stumbling block between the restoration of the pattern of relationships which ultimately emerged from the long centuries of Muslim rule over India, which was perhaps more crude, if not more ruthless, than that of the exploits of John Company and the "achievements" of the pro-consuls of the Imperial Crown during the past nine or ten decades in our midst. I do not think there is more blue blood among the British ruling classes in India today than was in the veins of Mohammad Ghori, Kutub-ud-din Aibak and Babar and the freebooters who followed them into India in search of loot and ultimate repose. But the British did not and certainly would not merge with the people of this country, even though I am not for one single moment forgetting the implications of the existence in our midst of that motley crowd of Anglo-Indians which offers to us a curious social *intermezzo* between the rulers and the ruled. I do not think that the social exclusiveness, meaning thereby the preservation of the blue blood, of the British rulers of India is really as important as the unwillingness (based, as my British friends would tell me, on inevitability) of the rulers to merge with the indigenous people of the land. India had been the grave of Imperial conquest ever since the Aryan influx into the country which commenced at the dawn of history. But when Britain departs from India it would not be said that the British people, unlike the Aryans and the Muslims, did make a continuous and conscious effort to get merged into the social and economic set-up of the land, enriching it with her own contribution, in order that a strengthened fabric of the nation comes into being, ready to meet the next inevitable invasion army, in the historical sense, four square and with success. When Britain departs from India, it would again, be not said of her that she had left behind any enduring social results like those of the Muslim rulers of the country during the course of a thousand years, even though it would be said of her that she gave to this country the railways, and the telegraphs, the all-India post and a bureaucratic form of Government which can hardly be matched in any part of the world today. The final events which are to hasten the departure of Britain from India, even in terms of the Cripps' offer of 1942, as the result of a self-denying ordinance of the British people, are still to be staged, and the organization of Indian effort to replace such a sudden vacuum created by Britain's departure is still to be. But I believe that a short glance in retrospect at the essential conflict of Indo-British relationships is very necessary, if we in this country are to realize the difficulties of our position, born out of helplessness during two centuries of British domination, and to look ahead with confidence and courage.

FROM SIR THOMAS ROE TO ALIGARH MOVEMENT

It is not my purpose here to write the tragic history of India's domination by Britain since Sir Thomas Roe's mission to the Mogul Emperor to the present time. The factory settlements of

the East India Company, ever since the good ship *Globe* touched my home town Masulipatam three years after John Company's first contact was officially established at Surat, were solely designed for the purpose of fostering profitable commercial intercourse between Britain and India, in the wake of the development of maritime knowledge, which first undertook the progressive task of bringing the world together into one closely-knit unit both for commerce and for political intercourse. Little by little the flag followed the trade, not as text books of history seek to tell us, though not with convincing results, as far as an examination of the early exploits of Britain in India is concerned. From a *regime* of a chain of factories, which was obtained through petitions to local and Central authorities of the time, studding the vast coastland of India, to the group of semi-military and military settlements of the East India Company, the greater number of which, in the early stages at any rate, was made possible by trickery and the playing of one Indian potentate against another, is a process of development which even Sir William Foster, the Historiographer to the India Office, has not been able to fully unravel despite a lifetime's work and study.*

There is no useful purpose served in recalling with lurid detail the vastly more sordid progress of the East India Company in India, its struggle for supremacy over the Dutch and the French who had come earlier than the British, its ultimate triumph as the only European power whose domination over this country seemed almost pre-ordained, and the conversion of a merchant's paradise into a Queen's Empire. It is a tragic fact that the decay of the Mogul Empire coincided with the maritime, commercial and military progress of the Western peoples, with the result that unlike in the case of the Greeks, the Bactrians, the Huns, the Tartars and the Mongols, who had earlier invaded this country before and after the birth of Christ, the British did not form the last wave of invasion of the long series known to us during this long historical period. As I have said earlier, the British had not come to stay in India, and certainly they had not come in sufficient numbers to be able to become a substantial portion of the population of the land. If the Moguls felt the need for coalescence with the indigenous inhabitants whom they had conquered, and built up a fundamental unity of language, culture or administration and com-

* See my papers entitled "British Beginnings In Andhra Desa" in *Triveni*, Madras, November 1928—January 1929, and the succeeding numbers.

In these papers I traced the growth of John Company's first "factories" in India on the basis of the original records of the India Office, London, and the reader will be impressed with the importunities of the early functionaries of John Company *Bahadur* for land grants of even five and ten acres for their trading establishments, and the manner in which local Indian potentates condescended to 'grant" them.

munity of living, the British, both at the time of John Company and even after Queen Victoria assumed the Imperial Crown, exploited the opportunities for using such of the centrifugal tendencies which were always available in any society, and used this exploitation as the principal instrument of their governance. I concede the point that, situated as they were ten thousand miles away from India, until the steamship and the Suez Canal shortened the distance to six thousand miles, the British, by virtue of the fact that their numbers were insufficient to make any lasting impression either upon the social or the cultural position in this country, developed, with a *finesse* hardly rivalled in human history, the art of government based upon the very potent principle of *divide et impera.* The East India Company started off with setting one struggling Indian potentate against another, in its wars of chicanery and conquest, and successfully built up its dominion over vast tracts of land, until the Imperial Crown took over and continued the grand work of splitting up the community into water-tight compartments. From what has been called the Indian Mutiny till the Aligarh Movement of Sir Syed Ahmad, from the famous reforms despatch of Mr. (later Lord) Morley to the Communal Award of Ramsay MacDonald, it was one long chain of events which demonstrated to the full that Britain's domination over India was motivated and sustained by the grand design of keeping the people separated into different irreconcilable groups and, if possible, to keep them *couchant,* ready to jump at each other's throats, if only opportunities for such a delectable political social pastime were available in the plenitude and intensity needed for the preservation of British rule in our midst.

The political history of India beginning with the perfidious conduct of Mir Jaffar which gave Robert Clive the first serious foothold in Bengal, coursed through a long period of sordid and ruthless exploitation and division of the country in the economic and socio-political spheres, and threw up occasionally an impeachment of Warren Hastings, in strange contrast with the later abolition of *sati* by Lord William Bentinck, while Lord Dalhousie's Theory of Lapse, which is but a misnomer for an organised process of spoliation of the polity of the Indian States, in order that the wealth and sway of Britain over India were augmented and stabilised, is only offset by the abolition by Lord Hardinge of Indenture, which was the recognised form of exporting Indian "slaves" overseas for work on the plantations of Imperial Powers in the colonies they built up during the XIX century. Both the British and the Indians saw the game during the course of the events of 1857, and if Emperor Bahadur Shah was unable to hold the far-flung Empire of the Moguls against the onslaughts of the gunpowder and maritime prowess of the Western Powers, in company with the inability of Christendom to withhold the onslaughts of the Ommayyads both in

Byzantium and Spain for comparable reasons, it was but an occasion for the British people to evolve and to try to preserve even today the sacred theory of the White Man's Burden (I should perhaps say the Black Man's Burden), as the incongruous British psychological approach to the preservation of their dominion over India during the past two and a half centuries.

Since the events of 1857 and the Queen's Proclamation, the theory of Imperial possession, which I had noticed in the first chapter, had come to be sedulously guarded as a treasure, which Britain and the British people could not as yet afford to part with. Contact with Britain had meant contact with the English language and with European political thought and history, and if today India seethes with a sense of frustration based upon a sound grounding in knowledge of political institutions and thought which are the heritage of Western peoples, she can still thank Lord Macaulay for his famous despatch making English the Court language and the medium of instruction for the incipient minds of the people of this country, which was, at any rate in the early stages, sought to be formulated in terms of the mass production of *babus* necessary for British administration in our midst. The life and work of Raja Ram Mohan Roy has a special meaning in this connection, *viz.*, that the sordidness of the early occupation by Britain of this country, particularly during the *regime* of John Company, had produced an intellectual revolt in the midst of our people who, for the first time in the long centuries of their chequered national history, came to drink deep from the springs of Western politics and political statecraft.

The Indian Councils Act of 1872 had a series of ancestors taking us back to the Regulating Act of the time of Warren Hastings, but these so-called "reforms" were actually intended by the British Parliament to tighten its grip over the British proconsuls and functionaries who manned the system of Imperial loot in this country, even long before Victoria was crowned by Disraeli as the Empress of this country. From the Indian Councils Act to the Minto-Morley Reforms was one long period of incipient political ferment, represented by the early petitioning activity of the Indian National Congress, thanks largely to the humanistic activity of Hume, Wedderburn and a host of other Britishers who saw the need, let me say, genuinely, at that period to educate the people of this country in the forms of democratic government of the parliamentary type known to the British people since *Magna Carta*. The Indian National Congress of this period had yet to produce its Arobindo Ghosh and Surendranath Bannerjee. It had still to reckon with the major political, constitutional and social problems of the land, but its principal achievement at this period was one of canalization of the emotions of all that is best in Indian society, including British, Hindu and Muslim, into something like a council of intellectuals, which assumed upon itself the solemn

duty of scrutinizing with integrity and faith the workings of the day-to-day governance of Britain in India.

As I have said, the early activities of the Indian National Congress were of a petitioning character, but even these were not found suitable to the British design in our midst, and there is any amount of historical evidence now available to the people of this country and the world showing that the British Government in India sedulously sought to propagate the Aligarh Movement, which I have already referred to in brief, as a counterblast to the non-denominational neo-intellectualism and neo-nationalism of the people of this country. Once Britain had realized that access to the books and thought of the West had created something like a political upheaval in India, she fell back upon the ignoble but effective method of rousing the passions of one section of the community, *viz.*, the Muslims, by reminding them that they had a thousand years of history in India during the course of which they had ruled the country as masters, that they had lost their freedom only a few decades ago, and that if they behave properly and truck in with the designs of the British rule they are bound to be the inheritors of a *regime* of politics and economics in which their interests would find a greater weightage than those of the rest of the community.

KHILAFAT RESORGIMENTO AND REPRESSION

I have made an attempt to delve into the archives dealing with the early exploits of the Aligarh Movement, and I do not think I am dishonest when I say that this weightage principle was there with us, though shrouded in the secrecy born out of the conspirators' hall, as between the British rulers and certain obscurantist Muslim leaders in the land, who were always available to dance to the tune of their masters, hoping, alas, to regain Mogul rule, which they had but lost a few decades earlier than the period which I am discussing now. Lord Minto's achievements in stage-managing the Aga Khan's deputation in favour of separate electorates, which was the basis of the Minto-Morley Reforms of 1908, and the inward character of the events preceding the Montagu-Chelmsford Reforms of 1919 (so eloquently brought out in Montagu's *Dairy*) fit into the pattern of Imperial diplomacy which Britain successfully pursued in our midst, during the long centuries of her connection with the people of this country. Once the Hindu and the Muslim were told and made to understand that their interests were unidentical, and when once these poor gullible souls in India actually came to believe in the masters' tune, the task of keeping India subjugated remained much easier than what the British in their heart of hearts actually believed. This separatism was fostered by the India Office, with the active co-operation of the Government of this country, as a counterblast to the emergence of radical thought and action, which made itself felt at the Surat Session

of the Indian National Congress, at which the cleavage of ideology between the petitionists and the men of action, which became phenomenally prominent in 1921 under Gandhian leadership, first gave a hint to the world that the pathology of political discontent was registering symptoms of grave and open revolt. The period of public activities of the late Lokamanya Tilak is the period of Minto-Morley reforms and also the period of spoonfed dissentient activity of the legal heirs to Sir Syed Ahmad Khan and his Aligarh Movement. If Shree Arobindo Ghosh focussed in himself the revolt against the sense of futility felt by the people of this country at the maudlin constitutional concessions involved in the two Councils Acts of the last years of the XIX century, the direct result of the Minto-Morley Reforms and the Aligarh Movement of Sir Syed Ahmad Khan was the emergence of the spirit of revolt noticed at Surat and focalized by the activities of Lokamanya Tilak, which almost brings us up to the end of the last Great War.

The last Great War necessarily becomes a dividing line between the past and the present, in terms of the political struggle of the people of this country for freedom. Mr. M. K. Gandhi, still to obtain his title of a Mahatma from a grateful people, had just arrived in India, and was more interested in recruiting soldiers for the Imperial forces from India which, according to reliable records, had offered three million combatants and auxiliaries for the battles of Kut-el Amara, the Ypres and the Marne and a host of other places, while the Imperial Legislative Council, on a motion moved by such a veteran leader like Pandit Madan Mohan Malaviya, made a gift of £100,000,000 towards the expenses of the Imperial Exchequer, besides defraying the costs of operations in Mesopotamia and East Africa, not to speak of taking upon the shoulders of this country the still unascertainable miscellaneous burdens of greater or lesser intensity. This was done with profound faith in Britain's protestations of goodwill towards this country, even if it be of the variety incorporated in the theory of the White Man's Burden, so beautifully expounded to us during the two long centuries of British occupation in terms of the much-lauded Christian ethic.

A development of tremendous political significance, merging within its fold the sacred principle of the unity of a people and a country, developed contemporaneously with these events and must be noticed here in parenthesis, if only to bring up our preliminary survey of the diabolical design of *divide et impera* of Britain running alongside of the re-asserting nationalism of the Indian people of the present century. This was the *Khilafat* Movement. Text books tell us that the dismemberment of the Ottoman Empire, the using of Indian Muslim soldiers against those of the now defunct *Caliph*, and the baffling implication of the Treaty of Sevres of 1922, which ultimately led to the resignation of Edwin Montagu from the *gadi* of the Great Mogul

in London, were but a passing phase in the emotions of the people of this country, which had just sharply reacted from the initial impact of separatism preached to us, with such sedulous effort by the British Government *via* the Aligarh Movement of Sir Syed Ahmad Khan.

The spurt of consolidated political activity of the Congress, symbolized by the *Khilafat* Movement in India, which brought the Hindu and the Muslim to give India the gift of effective comradeship of the communities even of an aggressive type, swiftly brought its retribution in terms of the events in the Punjab, which preceded the appointment of the Hunter Committee and the inauguration of the Montagu-Chelmsford Reforms, as a counterblast to the Gandhian concept of mass action which, for the first time in the history of India, had roused the people to a pitch of political exasperation, purposefulness and effort, hardly known to us even when the Buddha, during his earthly ministrations, sought to reconstruct Indian society in terms of an ethic and a code of conduct which endured the test of time.

The principle of self-determination which was flaunted in the face of the world, in terms of the Fourteen Points of President Woodrow Wilson, should have descended upon the world, as I have said at the beginning of this book, as the manna for the ills and degradation of the suppressed peoples of the world, including the people of this country. But it is a tragedy of the first order for India, and a merciless exposure of the lack of faith on the part of Britain, that after four War years of the most excruciating type, during which even Gandhiji became the trusted recruiter of the grist to the war mill of King George V, that we were visited with the tragedies of Jallianwalla Bagh in the Punjab, though the first Lord Sinha and the late Maharajah of Bikaner were made the co-signatories of Montagu to the Peace Treaty, and India was mentioned in the *annexe* of the Covenant of the League of Nations and admitted to the International Labour Organization on a more or less perfunctory basis, which became gradually stabilized during the inter-war period. The principle of self-determination of President Wilson, which was anticipated in terms of the 1917 Declaration of the Secretary of State for India, postulated the progressive realization of responsible Government by the people of this country, as part and parcel of the policy of His Majesty's Government. Montagu's visit to this country, the Montagu-Chelmsford report on constitutional reforms and, finally, the Government of India Act of 1919, illustrate the traditional ingenious manner in which Imperialism sought to dissemble and to divert Indian attention from the major objective of the achievement of Indian freedom through a political struggle, particularly based upon mass consciousness which was stimulated for the first time in our national history by Mahatma Gandhi in 1920. As I have said in an earlier chapter, there were always available political

stooges in this country who were willing to run the reforms of 1919, and let it be said to the credit of Britain that the reformed constitution of the immediate last post-war period, which introduced diarchy in the provinces and which gave the country a Central Legislature with an elected majority in the Lower House, all but broke the back of this Gandhian mass movement and produced a split in the ranks of the Congress, as represented by the emergence of the Swaraj Party of Chittaranjan Das and Motilal Nehru, which prevented fusion till as late as 1930.

POLITICAL SPOILS AND NATIONAL SCHISMS

Any student of the political history of India of the present century, particularly of the inter-war period, would come to the conclusion that the schisms in the ranks of the Indians always ran parallel to, or rather were narrowly preceded by, the measured doses of the corroding influence of the system of political spoils built up and enforced by Britain in our midst. I have already referred to the significance of the Das-Nehru revolt in favour of Council entry, against what had been termed the "no-changers' policy" of Gandhiji and his principal adherents, who elected to continue to plough the lone furrow of non-co-operation, in order that the initial successes of the first mass movement in the political history of India of 1920 to 1922 were cashed in in terms of a consolidation of the national movement. Part of the best intellect of the country, which, however, does not constitute the best possible type of patriotism, was lured away by the reforms, with the result that it took Gandhiji nearly a decade to make a bold bid to come back and lead afresh the masses of the land, with the principle of a sustained mass attack on the citadel of Imperialism, even though such an attack was to be made with the principle of non-violence. As one who must be classed as belonging to the generation of the inter-war period, I must confess that the principle of *divide et impera* was never more successful in our national history than during the period preceding the appointment of the Simon Commission in 1927 and immediately following it.

Sir K. V. Reddy, who before his death occupied temporarily the *gadi* of the Governor of Madras, described the monstrosity represented by diarchy in the provinces in terms of the following equation: that he was minister for revenue without irrigation, minister for justice without jails, minister for development without industries, etc. We had a Constitution at the Centre which, though not giving opportunities for Ministerial appointments, did certainly give unbridled opportunities for people to enjoy official patronage in a myriad and one ways, which were as dangerous as they were subtle enough to lure away the unwary from the post of duty. Front rank Congressmen like the late Sir B. N. Sarma, Mr. M. S. Aney, and Mr. N. R. Sarker became members of the Executive Council of the Governor-General,

First-rate intellectuals and people who had dedicated themselves to the service of the country through institutions like the Servants of India Society and others, like the Rt. Hon'ble Srinivasa Sastri, became the silver-tongued orators and show-boys of the Empire. A host of people, to whom money as such has no lure at all, was found to make a bee-line to Geneva and other international forums, at which, despite all its limitations, the so-called "case" of India was sought to be propounded, in the vain hope that international goodwill might ultimately lead to outside intervention in favour of Indian freedom. Indian representation, very definitely as a British appendage, to international conferences, ranging from the Washington Naval Conference of 1922, to a series of world economic conferences of the inter-war period, not to speak of the numerous ancillary bodies of the League of Nations, had almost become a delectable pastime for Indian intellectuals and even patriots to indulge in, if only to try to find opportunities for giving vent to their bottled-up emotions, even though I have not had the least doubt, based upon some pretensions to knowledge of what has happened in Geneva and other places during the most hectic period of the activity of the League of Nations, that these performances in the international sphere looked not only maudlin but actually ridiculous in the estimation of the world. I have digressed to this extent if only to demonstrate the point that corruption can invade the life of a nation which has still to attain its freedom, when the masters seek to enforce a system of political spoils, including patronage and appointments.

The schisms in the Congress ranks after the inauguration of the Montagu-Chelmsford Reforms could not, however, dam the surging force of nationalism in this country. Indeed, a new dialectic of approach to the problem of political freedom for India was very carefully carved out of the emotional conflicts of the people which, as I have shown earlier, was vainly sought to be mercilessly dissembled by Britain. The Swarajist Party of the Das-Nehru axis sought to run parliamentary government, in order not only to demonstrate to the world the capacity of the Indians to successfully forage into the realms of democratic governance, but also to bring about a breakdown of diarchy in the Provinces, if such a course were the only alternative to the people of India to frustrate British design in our midst. The "no-changers" continued to engage in the constructive work of rousing the masses of the country to a pitch of political consciousness, which ultimately fitted them for the renewed political struggle ahead of the country. People went to the extent of stating that the Swarajists and the "no-changers" constituted a two-pronged approach to the problem of India's political freedom, the one trying to attack the citadel of British Imperialism from within the gates, while the other delivered its blows

through mass action from without. Britain, however, was clever enough to see ahead the mounting struggle of 1931, and the Simon Commission of 1927, in other words an all-White Commission, composed of British parliamentarians and political placemen, was appointed to draft a report and to make recommendations to Parliament on the future Government of this country.

It is not necessary for our purpose here to go through the tortuous process indulged in by the Simon Commission, greeted as it was by black flags all over the country, the Joint Parliamentary Committee, the three Round Table Conferences, and the Constitution Act of 1935, with all the sordid detail which the political history of this country, during 1928-35, supplies to the student of world affairs. But note must be taken of the rebounding spirit of patriotism, which made people surge forward in emphatic protest against the application to this country of the eternal, inevitable principle of Britain symbolized by the phrase "the inevitability of gradualness", with an ingenuity and callousness hardly ever matched in the annals of the relations between a master and his slave, whether it be in terms of individuals or of countries. The second Mass Movement of Gandhiji in 1930, which at one time was stated to have precipitated the collapse of the mighty Government of India in different patches of the country, and which almost led to something like the establishment of a parallel people's government in defined areas, made Ramsay MacDonald to retrieve the mistake which was committed by the first Round Table Conference in London without Congress participation, and to invite Gandhiji as the sole representative of the Congress to participate in the second Round Table Conference. Mr. M. A. Jinnah, who today wants his *Pakistan*, meaning thereby the cutting up of India into theocratic bits, was still at this period not a convert to the federal or con-federal principle of organization of Indian polity, though today through a tragic *denouement* he claims that he represents the principle of disintegration, and does not care a rap for the preservation of the fortunes of the people of this country in a world which is dominated by the principle of merciless cut-throat competition for survival. Actually, Mr. Jinnah at this period was for a strong unitary State, but even before the eventual failure of the second Round Table Conference took place, federalism had come to be accepted by all, including Gandhiji and the Princes, as the only way for the organization of a polity for the country in which the Princes and the peoples of India could subordinate their major interests and work for the common betterment of the Mother Country.

The acceptance of the principle of federalism, which was the most important achievement of the first Round Table Conference in 1930, would never be forgotten in this country, for

it was the nearest approach in principle ever made by Britain to seek to solve the problem of Indo-British discontents. But even the second Labour Government of Ramsay MacDonald spurned away the opportunity created by the high auspices under which the federal principle was accepted at the time of the first Round Table Conference, and the principle of dissembling the people of India again reared its head in the most ugly manner ever known to the annals of British Imperial history. Indeed, one of the saddest spectacles for a patriotic Indian was staged in London, when communal squabbles were deliberately engineered and thrown up to the surface as between the assembled delegates, and ultimately led to the so-called Communal Decision (miscalled Award) of Ramsay MacDonald, which is the cause of all our troubles in the country today. Gandhiji gave his famous blank cheque to Mr. Jinnah and other minorities in London, asking them to fill it in themselves, stipulating the sole condition that the freedom of India should become the *cause celebre* between the assembled Indian delegates in London and His Majesty's Government. Of course, it was seen to that this blank cheque was not filled in, and as one who had hovered round the first and second Round Table Conferences in London, I still recall the stark horror which was registered on the faces of such of the delegates in London, who still possessed their souls and were not sold out to Imperialism, when on that fateful day in the winter of 1931 it was announced that, since no communal agreement on a voluntary basis was found possible, the Round Table Conference adjourned *sine die* and Gandhiji packed to return to India with an empty hand and with the iron of bitterness entering his soul.

One need not be cruelly cynical if he refers to the ruthlessness which marked the activities of the bureaucracy in India, which sought to destroy the essential bases of the Gandhi-Irwin Pact of 1931 which made possible the visit of Gandhiji to London, even at a time of high expectation in London about the emergence of the principle of federalism and even as Gandhiji was coursing his way back to India, and to the stage which was set for the *debacle* of 1932 with hardly any parallel even in the political fortunes of this country. Even today students of the recent political history of India try to seek to explain away this *debacle* in terms of a change in pro-consulship at this period, the Conservative but essentially Christian Lord Irwin (now Viscount Halifax) handing over to the Liberal but Imperialist Lord Willingdon, who successively saw Imperial appointments as envoy to China, Governor of Bombay, Governor of Madras and Governor-General of Canada, before he came to occupy the *gadi* in New Delhi. I believe that this approach to an analysis of events of 1931-32 is grievously defective, for it did not take into consideration the machinations of the Indian Civil Service, which Edwin Montagu, when Secretary of State for India a

decade earlier, characterized as constituting a steel frame, which was too wooden, too iron, too ante-diluvian to be of any use either for Britain or for India. Even before Gandhiji arrived in Bombay after the failure of the second Round Table Conference, his principal adherents were thrown into jail, after the unilateral repudiation by the bureaucracy of the essential clauses of the Gandhi-Irwin Pact, and the stage was set for the enacting of the most sordid drama of British Imperialism, *viz.*, the breaking of the back of the popular movement, as Lord Willingdon before the conclusion of his Viceroyalty, in 1937, claimed and eventually announced to the world as his grandest achievement as Britain's pro-consul, who was originally selected by a Labour Government and supported by the undiluted conservatism of the second Baldwin Government, whose creed was the strengthening of the fabric of the Empire which could be possible only if political revolts of suppressed peoples were crushed without compunction.

CRIPPS' OFFER FOR DIVISION OF INDIA

The *regime* of Lord Linlithgow, who became the Viceroy of India by virtue of the solid work he had done for His Majesty's Government as Chairman of the Royal Commission on Agriculture in India and as Chairman of the Joint Parliamentary Committee which gave shape to the Constitution Act of 1935 as we know it now, ran parallel to perhaps the most grievous period in the history of our national frustration, leading us and His Majesty's Government into some sort of a blind alley, from which there apparently seems to be no egress. I can hardly recall another parallel of a Viceroy of India confessing the failure of his declared mission in our midst after the conclusion of seven years of his ministrations. Lord Linlithgow came out to India specifically for the purpose of inaugurating the Constitution Act of 1935 in the Provinces, and also at the Centre, in order that his earlier work in London as Chairman of the Joint Parliamentary Committee found its fulfilment through India becoming the latest Dominion of Britain. Actually, what happened was that, even though Provincial Autonomy was inaugurated in 1937, the Federal portion of the Constitution Act of 1935 is still to be inaugurated as I write these lines in December 1944, and Lord Linlithgow, before his departure, confessed the failure of his mission, meaning thereby the life-work of a generation of British parliamentarians and pro-consuls who had pledged Britain's plighted word to the world, to the effect that it was their solemn resolve and bounden duty to educate and fit India to democratic forms of Government.

Lord Linlithgow's viceroyalty brought the country into the present international war, without even so much as a semblance of consultation even with the long and rump parliament represented by the Central Legislature of the Montagu-Chelmsford Reforms, which, though elected in 1934, still continues to function

as an ugly reminder of the non-chalance and utter political depravity of Britain in keeping alive with artificial respiration decrepit institutions of history, if only to tell the world that parliamentary governance is formally enthroned in India and that all is well with Britain's dealings with her wards. The gravity of the situation created in this country by belligerency enforced upon the people, brought Lord Linlithgow into consultation with leaders of political parties, including Gandhiji, and to offer a "milk and water" variety of a further Indianized Executive Council for the war duration. The rejection by the political parties, principally the Congress and the Muslim League, though not for identical reasons, of this extended form of association of Indians with the governance of the country during wartime, created a tremendous impression on the people of Britain, not to speak of the rest of the world, and three and a half years after war broke out, and, at a time when the Japanese onrush from Tokyo to Rangoon became one of the realities of the present international war, Sir Stafford Cripps came to India as the envoy of His Majesty's Government with an Offer which had to be accepted or rejected, but which he was authorized, almost with plenipotentiary powers, to interpret as best as he could and, if necessary, as recklessly as possible, as subsequent events fully demonstrated.

The Cripps' Offer, which people variously say is as dead as the dodo or is very much alive and kicking, is the sheet-anchor of Britain's policy towards India for the present and the future, postulating the framing of a Constitution after the war by the people of India, not necessarily through a medium of Constituent Assembly as demanded by the Congress, and the formation of a Government at the Centre under the present Constitution capable of attracting to itself various shades of opinion in the country and, more than anything else, a formal declaration of the willingness of His Majesty's Government and the British people to consent to a *regime* of things in which there need not be one single Government for the whole country. Colonel Louis Johnson, the first envoy and personal representative of President Roosevelt in India, intervened to avert a breakdown between Sir Stafford Cripps and the political leaders of this country, but even this friendly intervention was of no avail, for the Japanese had done the trick of dropping a stray bomb or two on two small towns in India on April 6, 1942, and the Cripps' negotiations, which were stated to be nearing successful conclusion a few hours earlier than this fortuitous military event in the East, had led His Majesty's Government into a stampede, were formally abandoned and the Cripps' Offer withdrawn, after which the Lord Privy Seal confessed the failure of his mission and returned post haste to London to announce to the world the grand fact that his negotiations with Indian leaders had descended down to the

level of the market place, and that Britain found it difficult to fulfil her pledge to the people of India!!

I cannot do better than reproduce here three despatches which I wrote to my paper as a result of the keen personal interest which I had taken in the Cripps negotiations, and also the contribution I have made towards the elucidation of some of the vital points involved in the Cripps' Offer at the numerous press conferences given by the Lord Privy Seal at that time. In Chapter III dealing with the Foreign Trade of India, I had occasion to quote rather extensively the elucidation of Britain's economic and commercial policy as enunciated by Sir Stafford Cripps (and subsequently repudiated by a host of people in British Government, in the British Parliament and in British commerce) and here only the political portion of the elucidation given to India, as chronicled by me from day to day during the Cripps negotiations, is reproduced.

Writing under the caption "Sir Stafford Cripps on His Mission" on March 24, 1942,* I said: "I have yesterday attended the press conference which the Rt. Hon'be Sir Stafford Cripps held here for the purpose of reading out his carefully prepared statement on his Mission. It is just as well that almost the first thing that Sir Stafford did was to meet the press representatives, and the fact that he is to see us every alternate day during his fortnight's stay here, is an augury that all that is to be told to the world about his Mission and the progress made by it will be told by himself alone. The Lord Privy Seal's appeal to the press not to indulge in speculation concerning the progress of the talks to be initiated presently will be widey welcomed. The time for speculation and the drawing of red herrings across the path of conciliation is long since past, and it is to be trusted that the political truce demanded from the communities and party dispensations will be forthcoming during the coming few days.

"I feel that there is hardly anything in the statement read out to us last evening by Sir Stafford Cripps which is likely to take us farther than the position reached in the Churchillian Statement to the Commons on the 11th instant. But what Sir Stafford did *not* say in his statement and appeal to the country is perhaps most significant. Thus, for example, Sir Stafford Cripps did not make any reference to the August 1940 offer to India. Thus, again, the Lord Privy Seal ventured to hope that the finality which is emphasized by Mr. Winston Churchill concerning the proposals entrusted to him, means only the finality which the British War Cabinet, composed as it is of divergent schools of thought and ideology, towards India, could reach now

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* See my weekly paper *Commerce & Industry*, New Delhi, March 25, 1942, Vol. XVII, No. 12, page 5.

after anxious and careful deliberation, and that any exigency or series of exigencies might arise in the future which might demand further consideration of the Indian position by the War Cabinet.

"In what he called the "cross examination" of the statement which we were asked to make, Sir Stafford Cripps came out triumphant, and even though his forensic eloquence and brilliance sought to cover up his obvious desire to give us information, a very valuable insight into his brain-cap is obtained by us. For example, I asked him the following question: 'Supposing Indian leaders contrive to offer you a formula or a series of proposals which are conceivably better than those you have brought to this country, will His Majesty's Government accept them?' The answer to this question was an emphatic 'No'. Sir Stafford from this enunciation of the position, means that British Parliament had not divested itself of its responsibility for the governance of this country, and that what the British War Cabinet has arranged for India as a final and just settlement, to quote the words of the British Premier, must be accepted or (God forbid) rejected by this country. In any case, it would appear that the firmness with which Britain is approaching India these days in her conciliatory gesture towards us means that either we accept the formula in good faith, or we will be faced with a situation in which there will not be any other alternative to a settlement enforced upon us from above! But the Leader of the House of Commons promptly put in his caveat when a colleague of mine asked a relevant question, and stated that there is no question that the proposals he brought to us would be accepted by Parliament, in the event of the largest measure of agreement forthcoming from Indian parties and leaders thereon.

"Sir Stafford Cripps has elected to choose the individual path. By that I mean that he has elected to meet representatives of "the principal elements in India" in the privacy of his conference room, and that he would not meet representatives of the different political persuasions together. I believe there is much to be gained by this method, particularly in view of the emphatic statement made by the Lord Privy Seal, which ran something like the following: 'It has been in the past my good fortune to have met Indian leaders, particularly of the Congress group. But I have come here with an open mind to receive from any and every quarter what is to be offered to me as the position of the various principal elements in the country's national life.' In view of this formula, I should expect Sir Stafford Cripps to make his personal appeal individually to the representatives of all the groups he is to see during the coming few days. Sir Stafford Cripps has come to India on one of the most delicate and even dangerous missions. If he succeeds, he will have been hailed as perhaps the greatest statesman ever produced by Britain. If he fails, that is the end of his parliamentary and even public career

in Britain. In addition, it would mean that he would have once again set the Indian political situation on the downward path.

"The language of diplomacy and law which Sir Stafford Cripps was obliged to use with us in the Conference is perhaps eminently justified by the delicacy of his Mission. Still, I must confess that Sir Stafford gave us enough indication of the possibilities and potentialities of his Mission. He said that he came to this country, since he had for long wished to play his own part in the solution of the Indo-British tangle. He also said that the proposals he had brought to us have his fullest support, verily as they have the fullest support of Mr. Churchill, even though members of the War Cabinet might have reached this support from different angles. He further indicated that the proposals he had brought to us conform generally to what all he had said and felt about India before he became Lord Privy Seal, Leader of the House of Commons, and the War Cabinet's special envoy to this country. This, I believe, is a very important statement.

"Sir Stafford Cripps referred to India's increasing direction in the sphere of defence and self-government as being the principal goal of his Mission. This must mean that defence and self-government must be integral to what is generally known as 'India'. Sir Stafford had times out of number repeated in the past his opposition to any scheme which has the effect of spoliating the territorial integrity of this country. Indeed, he had always resisted any centrifugal tendencies in the public life of the country. Thus, we come to the position that the War Cabinet could not have endorsed the *Pakistan* agitation of the Muslim League, concerning which our obliging Mr. Jinnah staged demonstrations of his adherents in the country yesterday, especially to mark the arrival in the Capital of Sir Stafford Cripps! Sir Stafford further spoke of one Government taking over from another, as a result of the acceptance of the proposals by the principal elements in the country's life. This means that if the proposals are accepted by all who really matter in India today, the existing Executive Council of the Governor-General would be scrapped and a National Goernment would take its place at the Centre. Sir Stafford is also to see Provincial Governors, and provincial Premiers, including those of the Section 93 Provinces, who are now in the wilderness. This means that he is to solve the Provincial problem also. We leave Sir Stafford Cripps at this point, and wait with bated breath for the developments of the next few days."

The lull before the storm leading to the breakdown of the Cripps' negotiations has been described by me at that time as hereunder*: "I regret that there is hardly any room in this

* See my despatch entitled "Ulsterisation of India under British Declaration," in *Commerce & Industry*, April 1, 1942, Vol. XVII, No. 13, page 5.

country for rejoicings about the Draft British Declaration which the Rt. Hon. Sir Stafford Cripps made public yesterday evening at the historic press conference in which this humble scribe was present and participated to a lively extent. I have claimed my fair share of the numerous questions which were put to the Lord Privy Seal by the journalists present, in order to obtain a peep into the brain-cap of His Majesty's Government and an insight into the manner in which this definitive Draft Declaration is to be implemented. I concede the point that Sir Stafford Cripps is an honest man, an intelligent man, and a friend of India. I also concede that he genuinely believes that the Draft Declaration which he brought to this country would, according to his individual lights, represent the maximum measure of agreement in Britain towards a solution of the problem of Indo-British relationships and Indian discontents. I further admit that if Sir Stafford does not obtain consent in this country for the Draft Declaration he would be one of the saddest men in the world, and that the results of any rejection of the Declaration would possibly end his parliamentary career, while setting on the downward path the Indian political situation. I am overwhelmed with a sense of the importance of a proper and judicious approach to the Draft Declaration and its interpretation by Sir Stafford Cripps, but I must assure my readers that what I write below is not based on any ideological fixity of thought on my part, but that I am making super-human efforts to see that Sir Stafford Cripps gets justice for his intentions, while India gets her position vindicated.

"In one word, I would like to state that the Draft Declaration of the British War Cabinet puts a premium on all centrifugal tendencies in the life of the Indian body-politic, and that this undue and exaggerated importance which the Declaration gives to the sectional interests present in the country is bound to be disastrous to the future well-being of the community. Today, under the Draft Declaration, India need not be and cannot be be a territorial and political unit, and, while *Pakistan* as demanded by the extremist sections of the Muslim League is not conceded, the Draft Declaration has prepared the ground for virtual civil war in various parts of the country, whether it be Indian Provinces or the Indian States. There can be one Federal Union, and more than one Federal Union, either composed of dissenting Indian provincial units or a mixture of Indian Provincial units and Indian States, with the right to demand and obtain from Britain imperial troops for the preservation of internal security or external peace. Indeed, the history of Eire and Egypt during the past two decades thrusts itself upon me when I visualize the position of India under the Draft Declaration after the conclusion of peace. I must say that I, alone among the journalists, posed the Eire model and inference to Sir Stafford Cripps, but my questions were unceremoniously brushed aside by the Lord

Privy Seal. It is inconvenient for England today to be told that her record in Eire and Egypt does not enthuse Indians to be eloquent about the Draft Declaration, as far as the present issue is concerned. One Ulster was enough to thwart the entire future of Ireland, but India under the Draft Declaration can have (and apparently must have) half a dozen Ulsters under the Draft Declaration dispensation. For, who can stop over-weaning demagogues from simulating a position in which people in a certain defined area in India demand the manna of a separate existence, even to the detriment of the well-being of "India," as Hindus and Muslims and others have come to know and love for centuries together?

"I put another question to Sir Stafford Cripps. Can the future Indian Union, after it comes into existence and on the basis of the experience of the first few months or years, demand and obtain a revision of the Treaty which she is to have with the United Kingdom? Sir Stafford, the diplomat he is and the lawyer noted for forensic eloquence he is, parried the question by stating that there must be two parties to a Treaty, and that both the parties must agree before a revision can take place. Of course, I urged how Eire was thwarted in her purpose for a revision of the Anglo-Irish Treaty of 1922, until De Valera tore it up unilaterally in exasperation. But this is of no avail at the present juncture, as Sir Stafford Cripps sought to indicate. Of course, there are to be minority treaties, etc., with the old League of Nations procedure in this respect brought into existence, and with England holding the position of guaranteeing authority. That is to say, England will remain the arbiter in the domain of Indian politics, and has to have sanctions enough to enforce her obligations. But in the same breath the Lord Privy Seal offers India, through this Declaration, freedom with the right of secession from the British Commonwealth, repudiation of India's public debt to all and sundry, the denunciation of all the existing economic and other rights of Britons in this country which they had accumulated during a period of two hundred years of rule over us!! Either India is to be free or not free, but she shall not have freedom on a scrap of paper *plus* limitations to her sovereignty which all these hedgings seek to improvise. But, of course, there need not be one single undivided India, with the principles of democracy (as taught to us by Britain through her own history through the ages and for which the present international hostilities are being waged) firmly enthroned for ever on a high pedestal, and on this Sir Stafford Cripps was clear in his mind. Sir Stafford Cripps told us that we have the right to cut our throats if we so chose about the future of our country after the war, but there must be rules of the game for us to indulge in such a process. Q.E.D., the hedgings of the Draft Declaration. England wants to clear out of India as honourably as she can, but she must uphold the

traditional even scales enshrined in her historic connection with this country!

"I have said enough about the future of India. Let me take the present. The Governor-General in his individual discretion is to form a new Government for the Centre, inviting participation of party leaders, after the Draft Declaration is accepted by them. Three I.C.S. posts will be Indianized, if it is so desired, but Defence will be kept as a responsibility of His Majesty's Government. But, of course, Sir Stafford Cripps told us that there must also be some sort of national ministries in the provinces also, before any reconstruction of the Centre is possible even for the duration of war. Taking the question of the reservation of Defence, I am painfully reminded of what the U.S.A. did in the case of the Philippines, which was granted independence, but with Defence reserved in such a manner that the present march of events was made possible. Still, the Draft Declaration wants the Government of India (assuredly the to-be-reconstructed one) to assume the responsibility for the mobilization of our moral and material resources for the proper organization of the war effort! I cannot conceive of a more incongruous arrangement which, in any case, does not appeal to the self-respect of India today. The political parties here are debating, and Congress and the Hindu Mahasabha are already stated to have rejected the Declaration. Sir Stafford told us that the publication of the Declaration does not mean its promulgation by H.M.G., which will only be done if the majority of elements accept it in *toto*."

The following is what I have written after attending the last Press conference of Sir Stafford Cripps announcing the failure of his Mission*: "Having taken a keen personal interest in the momentous discussions here of the past three weeks, and having been instrumental in obtaining through queries both in official and political circles information of the utmost value to the country and the world, I felt suddenly called to remember the *Failure of a Mission* by the late British Ambassador to Berlin, Sir Neville Henderson, when on Saturday morning I participated in the last Press conference by Sir Stafford Cripps and on Sunday in Pandit Jawaharlal Nehru's own press conference. The most unfortunate thing about the dismal failure of the Cripps' Mission is that the Lord Privy Seal permitted himself, with extraordinary lack of responsibility on his part, certain statements which promptly produced repercussions in this country and abroad, in the shape of charges and counter-charges of bad faith, lack of good taste and an utter disregard of the rules of the game in political negotiations. Sir Stafford has told us

* See my despatch entitled "The Failure of Sir Stafford Cripps' Mission" in *Commerce & Industry*, April 15, 1942, Vol. XVIII, No. 15, page 5.

that he is leaving India without regrets, especially from the view-point of his personal relationships with the Indian leaders with whom he was brought into contact during his negotiations in this country, but it is now patent that this hope and belief was not at all well-founded. The Congress President and Pandit Jawaharlal Nehru have stated that, towards the middle of the discussions and particularly towards the end thereof, there was a distinct deterioration in the mental make-up and attitude of Sir Stafford Cripps, and to this I can add that we of the Fourth Estate, in our dealings with the Lord Privy Seal, felt that the blue blood of a scion of a Conservative Viscount's house surged forward and over the veneer of the Socialist's hue which Sir Stafford chose for his political work during recent years. Without being irreverent, I recall the blue which shot literally through Sir Stafford's visage on that fateful Saturday morning, when he gave us his last press conference and bade good-bye to his Mission!

"Sir Stafford has now left the shores of this country on his journey homeward, and Mr. Churchill, not to speak of the world press, meaning thereby the British and the American Press, has showered his encomiums on the Lord Privy Seal's work in this country. His parting kicks at India and Indian leaders, particularly of the Congress group, cannot be justified at all, but Sir Stafford Cripps must have had the justification that an Englishman, and a blue-blooded one at that, has a duty to England, and that he had discharged his duty with intrepid devotion. It is more than likely that a White Paper will be issued by His Majesty's Government on this deplorable breakdown in Indo-British relationships, and that the Lord Privy Seal would express himself with unfettered responsibility during the course of his statement as the Leader of the House of Commons. But what I am concerned here now is with the pith of the position which led to such a disastrous breakdown.

"There is one aspect of the Cripps' press conference which, on the showing of Pandit Jawaharlal Nehru and Maulana Azad, is the same as with his conversations with Indian political leaders, which I must recall here. It is the utter lack of precision with which Sir Stafford Cripps ventilated his views on the Draft Declaration, which the British War Cabinet claimed to be a document "precisely clothing" the intentions of His Majesty's Government towards India. I asked in one of the Conferences, what happens to the expanded Executive Council in the event of disagreement, and despite my protestations to the contrary, Sir Stafford (as can be seen from the notes circulated to the Press on these conferences) said that they would place their resignations in the hands of the Governor-General as a Cabinet. The looseness of the language used by Sir Stafford is thus clear. He told the Congress President, in his last letter, that he was not properly understood, since a National Government and a Cabinet cannot be brought into existence without an amendment

of the Constitution, which will not be agreed to by the minorities etc. The Lord Privy Seal, the eminent King's Counsel and a former Law Officer of the Crown in the second Labour Cabinet he was, spoke in a language which suited his purpose for the time being, and finally charged, without any justification at all, the Indian leaders with using the language of the market place (*vide* the authorised version of his final broadcast to India and the world). To a question at a press conference, Sir Stafford replied that an amendment of the Government of India Act is necessary, and is anticipated for the removal of the I.C.S. element in the Executive Council, but he declined to agree with the Congress to push through a five or six-point Bill to bring into existence the National Government and Cabinet which he repeatedly postulated in his statements and talks.

"I can go on multiplying instances like this to show that Sir Stafford did not understand the implications of the language he was using (this plea, however, cannot stand scrutiny on account of the legal eminence of Sir Stafford), but I have said enough above to show that the Lord Privy Seal found, as he proceeded with his discussions, that his Senior Partners in London (to quote one of Pandit Nehru's phrases during the course of his talk to us on Sunday), have obstructed his further progress, a view which is eloquently shared by the *Statesman*, with the result that in sheer confusion and despair the talks were jettisoned. The regret is that Sir Stafford, while not mentioning the Muslim League and other parties in the country which had rejected the Draft Declaration for varied reasons, tried to damn the Congress by giving it a bad name and attacking its leaders.

"Now that the talks have broken down, it is only necessary to note what is likely to happen in the future. I have heard it said that some of the Indian members of the Executive Council of the Governor-General protested against some of the utterances of Sir Stafford Cripps, and that they felt their position in the country's public life, in view of the break-down of the talks, has become untenable. But I assume that the present expanded Executive Council would function as such till the duration of the war, unless it be that the Viceroy might invite people of the like of Mr. M. N. Roy and others to give a hand to the administration. Sir Stafford stated that repression as a matter of vendetta against the Congress rejection of the Declaration would not be there, but for that matter it is also obvious that the Congress would not hinder the war effort of the Government. This much is clear at any rate from the known views of Mahatma Gandhi and Pandit Jawaharlal Nehru.

"I put one question to Pandit Jawaharlal Nehru, which was not, however, answered on Sunday morning. It was this: 'Now that the talks have broken down, and remembering the repression which followed a similar break-down of talks in 1930, 1932,

1937 and 1940, and also remembering the manner in which civil population in near countries like Malaya and Burma were left leaderless when the military authorities wtihdrew, will Congress resist any restrictions likely to be put on its public activities in order to give discipline and leadership to Indian people in the event of invasion etc.'? This is the crux of the Indian problem today. The people must have food and leadership in the present grave crisis. The Government must not prevent public agencies from doing what can be done to lead the people in the path of the preservation of our homes and lives."

Looking back, however, I must say that the Government of India had suppressed the political movement, and smugly and successfully prevented food and leadership reaching the people, with the result that 3,000,000 people died in Bengal of starvation, within hardly one year after Sir Stafford Cripps left this country, without leadership but with the gulf of division among the communities stalking us as a people in the wake of the "more than one single Union" proposal of the Draft Declaration.

NATIONAL DEMAND FOR FREEDOM WITH UNITY

It would have been easier for me to conduct a post-mortem examination on the Cripps' Mission nearly three years after the events took place, but I have chosen the more difficult path of recapturing the cold blue print representing the examination of what I along with numerous people in this country, felt as the Cripps' negotiations were going through their tortuous processes and ultimately led to the confession of failure on the part of His Majesty's Government to solve the Indian deadlock permanently and honourably. Lord Linlithgow, before the conclusion of his Viceroyalty and for a considerable period after the failure of Cripps' Mission, sought to retrieve the lost ground by declaring for the preservation of the geographical and even the political unity of this country, but it will be the verdict of history that all the troubles which came into prominence during the post-Cripps period are directly traceable to the hoary principle of *divide et impera*, symbolized by the formula of His Majesty's Government represented by the phrase "more than one single Union" for this country as being the panacea for all the Indo-British troubles of the past three centuries. That is to say, the declaration of His Majesty's Government of their readiness to countenance the vivisection of this country has led to the sustained attack by Mr. M. A. Jinnah and the All-India Muslim League upon the integrity of a people and a country in terms of the demand for *Pakistan* as we know it now. After the failure of Sir Stafford Cripps, the Congress might have told Britain to quit India in the symbolical sense, but basing their argument upon what His Majesty's Government had agreed to in advance Mr. Jinnah and the. Muslim League went one step further and improved the slogan into "divide and then quit India." For saying identical

things, the Congress found itself temporarily badgered, while the Muslim League flourishes under the sunshine of official favour, so that the fortunes of the country are held as hostages to secure the appeasement of Mr. Jinnah's personal vanity. As far as the problem for the fight of freedom in this country is concerned, there is not the slightest doubt that every one, from the most inveterate toady to the most ardent patriot, is unanimously of the view that Britain must quit, but the trouble is that since Britain is unwilling to depart from her good dividend-yielding policy of dividing the people in advance of quitting, there is not as yet the possibility for her to quit India, as a token of fulfilment of her two centuries of rule over the people of this country, who tomorrow may become united, strong and capable of looking after their own affairs in a world polity of mutual collaboration and esteem. The phenomenal rise of Mr. Jinnah during the past six years, based upon the policy of negation represented by *Pakistan,* is one reflex effect of the willingness of His Majesty's Government *a la mode* the Cripps' offer, to countenance dismemberment of India, and is certainly something which was not paralleled even by the achievements of Mussolini and Hitler in Italy and Germany during the preceding 10 years of their careers. There is a vital contrast between Mussolini, Hitler and Mr. Jinnah, in that the former two Dictators staked their all and are perishing today for the achievement of unity and strength for their respective countries even at the expense of their less fortunate neighbours, whereas Mr. Jinnah is striving for the creation of two or three *Pakistan* States and an undefined number of *Hindustan* States, with six hundred odd Dominions of Indian Princes lacerating the main stem of the country as so many leprous patches which are to look to the Paramount Power for their preservation and sustenance and which can undoubtedly remain outside the pale of either *Pakistan* or *Hindustan.**

The Gandhi-Jinnah negotiations of Bombay in September 1944, constitute perhaps the last step of the present leadership in this country to come to terms even on the basis of a conceivable type of *Pakistan* without injury to the other interests of the nation and the country, and their failure is yet another eloquent testimony to the manner in which Mr. Jinnah has not only been egged upon by His Majesty's Government to continue in his recalcitrancy, but has also battened upon the miseries of a nation in travail, and successfully held up the political fortunes of a people in quest of freedom. I do not think that there are many people in India who shed tears at the break-down of the Bombay talks, for I know that, apart from using his political counter to his best possible advantage, Mr. Jinnah has no political policy other than a medieval, theocratic obscurantism,

* This question has been fully dealt with by me in my book *Nationalism and Self-Sufficiency,* Rajkamal Publications, Delhi, 1944.

without himself being the archangel sponsoring a religious revival amidst his community. Nor for that matter, has Mr. Jinnah any policy of action other than that of hedging for weightage for his community in the politics of the provinces, the Centre and the Indian States far out of proportion to their essential needs. The pity of it is that Mr. Jinnah would have had his weightage even without his becoming truculent almost for ever, but his activities during the past six years constitute one long attempt to hold up the freedom of the country, even if it be for the sake of the appeasement of his personal vanity and political leadership. Small wonder, that Beverley Nichols in his book *Verdict on India* has described Mr. Jinnah as the greatest man living in Asia!! Indeed, there cannot be a more proper measure of Mr. Jinnah's greatness than his ability to thwart the forces of four hundred million souls to obtain the freedom which is their due, towards securing which they have put in more than half a century of sustained political effort. Mr. Jinnah might continue to bask in the glory of his greatness, even of the variety described by Beverley Nichols, but the caravan of India passes on.

I must here take up the parallelism of the Indo-British politics of the war period, in order to indicate the reflex reaction in terms of the evolution of the people's emotions alongside of a new definition of British policy towards this country. Belligerency, as I have said, has been thrust upon this country, even without the semblance of prior formal consultation with such of the agencies available in this country to His Majesty's Government and their pro-consul in our midst. It is true that Lord Linlithgow had invited Gandhiji and Mr. Jinnah for consultations, weeks after India became a belligerent country, for the purpose of seeking their assistance to extend the framework of governance from the Centre within the limits of the Montagu-Chelmsford Reforms, which are still current, whereas, at any rate as far as the Congress view-point is concerned, nothing short of a National Government which can mobilize the people into the conscious preservation of their liberties from any possible attacks from without, as developed some two years later with the headlong push of Japan from Singapore to Kohima, is imperatively needed for the association of a people with the Government whose motivation still remains to be located in London. The rejection of this demand for a National Government (which Mr. Jinnah was careful enough to resist in terms of his weightage and Pakistan demands so ably assisted earlier by the British capacity for dissembling) led to the withdrawal of the Congress governments in eight out of the eleven provinces in the country, and the assumption by the provincial Governors of administration under Section 93 of the Constitution Act of 1935, after the complete abolition of parliamentary government. Unhealthy and unholy coalitions continue even today in Bengal, Sind, Assam, and in North-West

Frontier, in the greater majority of cases at the expense of the Congress, which had elected to go into the wilderness for the time being, while in the Punjab alone a really people's government, within the meaning of the provincial portion of the Constitution Act, continues to function. The failure of the Cripps' negotiations had convinced the people of this country of the need for the preservation of liberties against the onslaughts of the ordinance *regime* of the Governor-General and the Provincial Governors, as well as of the consolidation of national forces which is capable of withstanding any possible future onrush of the Japanese into the sacred precincts of our territories. The result was the "Quit India" resolution in August 1942 of the Congress, and even before it was formally passed, the strength of British Imperialism in India was mobilized from Delhi, and a popular movement was ruthlessly suppressed with consequences as deplorable to the people as to the authorities themselves, as represented by the ugly events which occurred during the closing months of that fateful year in our national history.

With the majority of Congressmen inside jail, even if Gandhiji is enjoying his personal freedom, and with the rank and file of the Congress which is bludgeoned into a state of political coma, it is hardly likely, especially in the light of the breakdown of the Bombay discussions between Gandhiji and Mr. Jinnah, that any new development can take place in India's political life of any enduring character during the pendency of the war period, despite rumours to the contrary which cropped up by Christmas 1944. The preservation of the *status quo* in the relationships between Britain and India is certainly not a healthy feature, though the British would like the world to believe that only disagreement (which, however, the British took steps to conceal, was born out of their political policy towards the country and the people) among the major communities prevents the final solution of Indo-British relationships. Protestations are still made from London, even by high ranking British statesmen and politicians, to the effect that Britain is willing to quit India the moment the exigencies of war permit such a procedure, but such a self-denying ordinance on their part is not rendered possible simply because India is not willing to be united in the purpose and plan of approach for the attainment of her political freedom. No effort is needed to demonstrate the fatuous character of a claim by Britain of this type with reference to her dealings with India, in the light of what I have shown in the preceding pages, putting in juxtaposition the variations in Brtlish policy during the past several decades and the inexorable process of the struggle for freedom which the people of this country have gone through from time to time.

It is not my purpose here to offer a Constitution or a plan of action for the future, but this much can be said, with confidence,

that the struggle for freedom in this country would continue unabated with the strength given by a mass movement of the people who are out to achieve their survival, whatever might be the cost involved. Without further going into an examination of the manner in which the saga of India's fight for political freedom is likely to take shape, it is necessary that an examination is made here of the essential bases for the eventual stabilization of India's place in world politics today and tomorrow. It is, however, clear that the stabilization of India's position in the world community is only possible, in terms of the eventual establishment of a government of the people which is pledged to the preservation of all that belongs to them as the inheritors of a subcontinent, with resources almost unmatched by any other country.

INDIA AND WORLD COMMUNITY

Writing in 1931, I have said:* "It is impossible to dogmatize about world movements. But priority and innate virtues of cultural concepts always prevail in the long run. India is compelled to propound a particular kind of political philosophy to achieve her national goal. The force of the *satyagraha* movement in India is felt in every part of the world. If India is successful in preventing armed conflict with Great Britain and succeeds in reaching the national ideal, the world will have gained a principle of great value. That Indian methods are now being copied in various parts of the world is adequate proof of the growing synthesis of Indian and world thought. Passive nationalism in India will have thus led the way for the peaceful evolution of international political readjustments.

"The civil resistance movement, militant in spirit but passive in operation, is tested on all sides. At times the resistance of one people to the domination of another is likely to assume forms of violence; even in the case of India there is evidence of such tendencies. Armed conflicts are always hateful and strike at the root of civilization. An armed conflict in which the fortunes of three hundred and fifty million souls are involved must necessarily be a great blow to the peace and progress of the world. But there is not the slightest doubt that Indian nationalism will preserve its lofty ideals and innate purity of purpose. By achieving the goal of national sovereignty on peaceful lines, India will prove herself a benevolent force in world politics."

It might look slightly grotesque if I re-affirm India's contribution to the political philosophy and action of the various peoples of the world in terms of a militant but passive resistance movement of the people against the organized might, based on violence, if necessary, of the master race, at a time when in the sixth year of war, the entire world is convulsed into one long

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* See my paper entitled "India and World Politics" in *Queen's Quarterly*, *op. cit.*

orgy of bloodshed. It is also likely that the formulation of this principle of passive resistance based upon the creed of non-violence must be judged in terms of the verdict of history over a long period of years. Looking back, it will be found that passive resistance as an idea and ideal claimed its votaries in many parts of the world. This is what I wrote fourteen years ago:* "Repercussions of passive resistance offered by Indians in South Africa (1903-1913) were felt in all parts of the world. The suffragist movement in Great Britain and elsewhere has no doubt derived considerable inspiration from the success of the Indian experiment in South Africa. When once the individual is conscious and confident of the justness of his or her cause, the passive resistance movement gains in moral prestige and power. The Filipino resistance of the Administration of the United States is a parallel worthy of note. The Great War, incongruously enough, temporarily suspended popular opposition to self-constituted authority in every part of the world. From 1921, to the present day the cult of passive resistance in India has had a chequered history. During the course of the past twelve months this movement has reached the acme of perfection. He would be a bold man who would predict the exact course of events in India during the next decade or two. As for passive resistance, its future as a concept of political philosophy is practically assured.

"How this Indian experiment has stirred international thought is plain from recent incidents in various parts of the world. In Egypt the *Wafd* under Nahas Pasha has faithfully copied the Indian experiment of a no-tax campaign in order to oust the Sidky regime of self-constituted oligarchy under royal patronage. In Spain the publication of a full-length biographical portrait of Mr. Gandhi preceded the Madrid mass demonstrations of last Christmas on the familiar lines of defiant squatters in India. The boycott of the constitution and the legislatures by various political groups in Spain and by the Nazi-Socialists in Germany have been deliberately borrowed from India. It was the Indian National Congress which first demonstrated the vicious character of administration through irresponsible and unpopular chambers in India, and the boycott of legislatures is one of the principal items in the Indian nationalist programme. Even when the Indian constitution was worked for a time (between 1923 and 1927) organized 'walk-outs' of blocs of representatives were first invened by India as effective moves of political strategy. The significance of the 'walk-out' of the German Nazis under Herr Hitler a couple of months ago is easily understood in Europe. The Arab outlook in Palestine has also much in common with the nationalist movement in India."

Ibid, pp. 260-261.

I cannot say how far India would continue to exercise influence of the type mentioned earlier on the course of world politics, but this much can be said with authority and conviction that, as long as the sword continues to be the ultimate arbiter of the fortunes of nations and as long as the Imperial Powers continue unabated their sway over countless millions of suppressed peoples the world over, passive resistance as a concept and an ideal would function as the principal instrument in the hands of people without liberty, and to this extent India's contribution, in the historical sense, to the evolution of political thought and action the world over is bound to be fundamental. As I write these lines, the Allied Powers are rolling the military steam roller to crush Axis opposition, but also intoxicating themselves with the glorious vision of re-conquest and renewed sway over the countries and resources of peoples temporarily subjected to the domination of Japan, and also over peoples who never were subject to the Imperial domain of either the U.K., the U.S.A. or the U.S.S.R. As an Indian who has still to struggle for freedom, without the accessories and equipment of war at my disposal, I shudder to think of what would happen to the fortunes of people in countries like Burma, Malaya, Indo-China, Java, Bali, etc., after their liberation by the Allies, and of peoples like those of Morocco, Palestine, Lebanon, Eretria, and a host of other countries which are bound to be re-distributed among the Victor Powers after the conclusion of the present international hostilities. I confess that, placed as I am in a country like India, I would not be able to effectively intercede on behalf of these people whose political liberty is either completely lost or is likely to be found partially circumscribed, for the simple reason that I myself do not yet possess the implements to secure my own freedom on the arbiteral ground of battle, with the result that I can only give my profound sympathy to them, in order that they cultivate their own individual strength for the achievement of their freedom, in the same manner in which I and four hundred million other people in India are trying to secure freedom through a militant mass movement whose only sanctions are the justice of right and the inextinguishable patriotic spirit which even long centuries of British rule have not been able to quench. Abortions of political thought like the dismemberment of the country into *Pakistan* and non-*Pakistan* states are temporarily swaying the emotions of certain secessionist sections of the people in our midst these days.* But there is the assurance that this temporary madness in the mass would pass, and that a common citizenhip for four hundred million Indians is bound to be evolved in

* See my book entitled *A Secular State for India*, Rajkamal Publications, Delhi, 1944, where this aspect of the question is dealt with on a very elaborate scale, demolishing Theocracy as the basis for the organisation of the State and enthroning the principle of common citizenship as the first ingredient of our national political policy.

terms of a secular political organization which is capable of slaking the thirst for political freedom of the entire nation, at the same time guaranteeing to the so-called sub-nations of the country their essential rights to self-preservation, on a basis which will preserve to them their culture and their religion.

Reviewing Professor Coupland's *Report on the Constitutional Problem of India* recently, I observed:* "I feel that there is precious little in any scheme of association, which does not preserve this country as an effective entity, either in the polity of the British Commonwealth, or in the larger world framework which only knows one virtue, *viz.*, the measurable weight which a country can pull in relation to that of other countries with which she is in association for international purposes. Without a Centre, which is capable of preserving the essential rights and position of a country in relation to the rest of the world, it is inconceivable that any country can survive at all.

"But I must hasten to state the fact that Coupland consciously or unconsciously pleads in favour of a multi-national state for India, in which the federal or perhaps the confederal units have residual powers of a very wide range and importance. I believe that, barring the outright secessionists, there will be few in this country who disapprove a proposition of this character. Coupland shows how this multi-national organization of government has succeeded in Canada, Switzerland, the Union of South Africa and, in its own distinctive way, in the U.S.S.R., where national or sub-national groups have merged their individualities into the common pool of a major nationhood, at the same time preserving unto themselves all that their distinctive individuality demands. He also shows how the minorities problems have been solved by a country like Estonia during the inter-war period. It is quite on the cards that a similar approach in this country is bound to yield successful results, provided such an approach is made possible and is actually taken in hand.

"If I have one fundamental impression of Coupland's monumental publication, it is that freedom is meaningless without a country, and without the preservation of the integrity of a people in the historical and sociological sense."

The preservation of the territorial and political integrity of India naturally becomes a question of the moment, with an emphasis which is hardly paralleled in the entire history of human struggles and achievements. While Burma, Malaya and Ceylon, not to speak of certain other countries in the South East Asia Group, are likely to make a bold bid to come back into closer association with India, both in the military and political sense, it is fantastic that India herself should be cut up into two or three

* Broadcast from the All-India Radio, Delhi Station, October 8, 1944.

so-called *Pakistan* states, which believe in their own local territorial sovereignty *plus* a woolly type of theocratic federation with the Muslim countries of the near and Middle East, and with *Hindustan*, inside whose bosom are to remain undigested hundreds of Indian states, including the Nizam's Dominions with a population of eleven million peoples, looking up to the Paramount Power for their preservation as autonomous territories. If there is no India, as understood by the people of this country and the world at large, there is no need for a discussion or delimitation of the place of India in the world community. Whether it be in terms of the organization of the State on the basis of a system of planning which will increase the national dividend; the preservation of our enormous overseas commerce; the regulation of our system of internal and external communications; the maintenance of a fiscal and tariff system which is capable of withstanding attack from without; or, even for that matter, the provision of guarantee that a defence system of self-sufficiency is possible for the protection of the country and the people from attacks, as was seen in their time by numerous secessionist states in Europe and also by dozens of countries in the Far East, the preservation of the territorial and political integrity of India would be found to be absolutely essential.

I was attracted to a recent publication of Sir Atul Chatterjee, a former Chairman of the Governing Body of the International Labour Office (*Federalism and Labour Legislation in India*, International Labour Office, 1944) in which he deplores the lack of social justice in this country on account of the so-called initiative and concurrent jurisdiction of the Provincial Governments over labour legislation *vis-a-vis* the Central Government, even as provided for by the Constitution Act of 1935, and in which he makes out a very strong case for the strengthening of the Centre even in terms of an amendment of the Constitution Act as and when such an opportunity arises, if only to ordain and preserve a *regime* of social justice for 57,000,000 workers who were estimated in 1941 to be engaged in gainful employment in this country. Even under the Provincial Autonomy known to this country since 1937, centrifugal tendencies have come into operation as between the Government of India on the one hand, (who, curiously enough, are in a position to order out not only democratically elected ministries but also the entire Civil Service and even the Governors) and the Provinces on the other. Dozens of times during the course of the present six years of war, it was demonstrated that the Centre was unable to carry with it the Provinces, with the result that questions of high policy, like measures for the protection of the community against starvation, were decided upon unilaterally even by such of the Provinces in which, in default of parliamentary governance owing to the Congress going into the wilderness over the political issue in 1939, the Governors' *regime* under Section 93 of the Constitution Act is in vogue even today.. The

costly constitutional experiment of the Government of India to de-vest themselves of powers in favour of the Provincecs, if only to observe the letter and spirit of the Constitution Act under which Provincial Autonomy was inaugurated, has convinced them of the futility of further continuance of a process which is very likely to almost destroy the conception of a federal State, which still happens to be managed from a Centre which is unitary in conception. In no other country in the world would it have been possible that, while three million people in Bengal died of starvation, other areas in the country, *e.g.* the Punjab and the Sind, could refuse, and refuse with impunity, the Central direction to move surplus food towards the relief of the distressed. The most curious commentary on this sordid debacle in Bengal in 1943, is that two of the so-called *Pakistan* areas with enormous surpluses of food refused succour to Bengal, which is stated to be another *Pakistan* area, at a time of dire necessity, with the result that more people died of hunger like rats in that benighted Province, than those who died on the field of battle during the six years of the present international hostilities.

There is now a tendency visible on the part of the Government of India to re-vest themselves with powers originally delegated to the Provincial authorities, and one example of this inexorable process now under way in this country is the Central control and administration of rationing in all the cities and towns selected for its enforcement. I have known many an occasion during the war period when the Government of India confessed their inability to carry with them the Provincial Governments, as well as the States Governments, even for the limited purpose of ensuring to the community its just dues, without any reference to political, constitutional or communal considerations. Without a federal or confederal approach to the problem of India, a country and a people, with traditions of thousands of years of history and continuous co-operation, would cease to exist. And if they cease to exist, there is no need for delimiting their association with the rest of the world, on whatever basis such association is to be built up. The preservation of the integrity of India is, thus, a question which is integral to any study of the problems of world community, of which four hundred million Indians must necessarily constitute a very great and vital part. It is on this assumption and down-right historical fact that the planners of peace and international organization must proceed, as much as the people of this country. There is no escape from the unity of India without which there is neither freedom nor survival for a quarter of the human race.

There is, however, one single way in which India can preserve her position in the world. The Statute of Westminster of 1931 and the Cripps' Offer of 1942 have conceded to the Dominions the right to secession. The Cripps' Offer may or may not

be revived after the war, but the Statute of Westminster is a part integral to the constitutional law of the British Commonwealth, which can never be repudiated, simply because units of the Commonwealth like South Africa, not to speak of Eire, would not tolerate a situation, in which their national sovereignty *vis-a-vis* the Commonwealth is impaired. I had always felt that India's place in the scheme of things ordained by the Statute of Westminster is rather precarious, though I recognize that a series of declarations on behalf of His Majesty's Government from the Lord Irwin Declaration of 1930 to the present day, had always sought to convince the people of this country and the world, that there was even years ago Dominion Status in action with reference to India, and that for all practical purposes India was to be considered as a Dominion of the British Commonwealth.

The right to secession from the British Commonwealth is one of imperishable importance to the people of this country, both in the constitutional and the political sense. India had ratified the Protocol of signature of the Permanent Court of International Justice in 1921. She had ratified the Optional Clause recognizing the jurisdiction of the Permanent Court in 1930. She was a party to the General Act for the pacific settlement of international disputes of 1928, temporarily subject to the reservation I have already referred to.* His Majesty's Government had always sought to cling to the reservation that intra-imperial disputes are settled preferably by inter-Dominion tribunals like the Privy Council. It is true that Canada, Australia and New Zealand have agreed to this reservation, while naturally India had to follow suit, on account of the inescapable fact that it is the British Foreign Office *via* the India Office in London which looks after the so-called extra-territorial or foreign relations of this country with the external world, and also on account of the political suzerainty which His Majesty's Government wield over the people of this country.

The fly in the ointment, however, was provided by the Union of South Africa and the Irish Free State (now State of Eire). The Union ratified the optional clause of the Permanent Court of International Justice, accepting the justiciability by the Permanent Court of intra-imperial disputes with a codicil that the Union preferred to settle them by other means. The Irish Free State, when ratifying this clause, went one step further and ratified the Optional Clause with the sole condition of reciprocity and with no reservations at all. It is true that the boundary disputes between Ontaria and Manitoba, and that between Canada and New Foundland in regard to the coast of Labrador were settled by the Judicial Committee of the Privy Council of His Majesty in 1884 and 1927, respectively, but even Canada, Australia and New Foundland had always felt the necessity for an arbi-

* See Pp. 34-35 ante.

tration tribunal for the British Commonwealth, which is properly constituted and with Powers which are capable of dealing out justice to the dozens of countries and the countless millions of people who happen to be within the framework of the Commonwealth.

The case of India is very simple indeed. We in this country do not wish to be considered any more as a subject people. We have earned the right to freedom and independence. We have a series of disputes in the ordinary course of things which are perennial concomitants of our long association with Britain and her Empire and Commonwealth. Most of these disputes are inevitable, and there cannot be any question that Britain would be allowed as before to continue as master, disputant and judge. For that matter, even a Dominion like the Union of South Africa would not be permitted to unilaterally abrogate obligations undertaken towards India, *e.g.* the question of the right to existence on the basis of citizenship of our 250,000 nationals resident in its territory, even within the meaning of para 7 of Resolution 7 of the Conference on International Emigration and Immigration held at Rome in 1924 to which both the Union and India are parties. It is a travesty of British constitutional law that Britain was unable and even unwilling to settle disputes of the type represented by the Indo-South African question since the Gandhi-Smuts Agreement of 1914, on the specious ground that the Union of South Africa is a sovereign dominion and that the Indian immigration question in that country is a purely domestic matter which the Union Government is to settle at its sweet will and pleasure. Leaving aside this dispute, the entire question of India's relationship with the British Commonwealth of Nations of the future is not only based upon the right to secession, but also upon the right to adjudication of disputes *inter sc* of India and the Commonwealth countries, by a tribunal whose authority and impartiality cannot be impunged. In fact, we in this country would like to lift the problem of India from out of the traditional rut of the Empire and Commonwealth, and take it over to a higher plane of the world community, where alone justice is possible. I remember, during the time of the first Round Table Conference in London, the attempt made by some of the Indian delegates to get the question of the Indo-British disputes proper referred to an international tribunal constituted on an *ad hoc* basis. More recently still, and with reference to the deplorable *impasse* created between Britain and India in the wake of the failure of the Cripps' Mission, appeals went out, not necessarily from Indians, to the heads of three friendly States who are the principal co-adjutors of the British people, *viz.*, Roosevelt, Stalin and Chiang Kai-shek, to constitute themselves into a friendly triumvirate for the purpose of resolving the deadlock between India and the British. I for one would not look upon a proposition of this character with any favour, for the simple reason that the history of the world does not provide me even a single instance

of countries belonging to a group of rival powers having ever intervened in the case of a dispute between one of them and her political and economic wards. On the contrary, I would plump for a procedure and a principle which would give me the right of access to a properly constituted international tribunal, even for that matter, a revivified Permanent Court of International Justice, on the sole condition that such a tribunal possesses the impartiality and the authority which are needed for the settlement of disputes between a world power like Britain and a politically suppressed country like my own, meting out justice with all the panoply of power and authority which it could possess in the genuine cause of international collaboration and harmonized peaceful relations.

But India's place in a world community and a world organization cannot have any meaning to us, if we do not possess the means for the preservation of cur just rights. Petitioning the Permanent Court of International Justice or any other arbitral tribunal for the world, as a proposition is one thing, and impressing the world community of the world organization about the recognizable strength behind an appeal of that character, which the world community is bound to take note of, is another. While at Geneva, I noted as to what happened to China's appeal to the Council of the League of Nations for intervention and succour, when the Japanese guns first boomed over the river Sungari in 1930, as also the events leading up to the appointment of the Lytton Commission of Enquiry on Manchuria, the publication of its report and the disgusting debacle in the world community *vis-a-vis* the preservation of the political integrity of the Chinese Republic leading up to the opening, closing down and the reopening again of the Burma Road, until the Japanese hordes actually marched for a while into the territories of India in 1943. It was the might of Japan which made it impossible, obviously because of the unpreparedness of the major Powers of the world, to make a concerted attack upon the aggressor, as also because of the essential contradictions between the specific interests among themselves which prevented justice being meted out to China. A similar thing had happened with reference to the fortunes of Abyssinia, including the moral of the heinous Hoare-Laval Pact, actually serving out on a plate that country and people to appease the territorial hunger of Mussolini, despite the frantic appeals of the Lion of Sheba to the League of Nations for the preservation of his patrimony.

It is a firm conviction of every patriotic Indian that this country cannot have any territorial designs after she attains her nationhood, even in respect of the desirable re-incorporation of Burma which was separated from the mother country in 1937. I do not believe that, within any measurable distance of time, there would be disputes of any territorial character between India and the rest of the world, and the vital assumption behind the statement is that India would not be allowed to be cut up into theocra-

tic and autocratic bits represented by *Pakistan*, with the Indian States looking up to the Paramount Power for their continued existence. In all certainty, when India becomes free and commences the gigantic task of marshalling and consolidating her resources—political, military and economic,—something like the policy of good neighbourliness, enthroning on a high pedestal the Monroe Doctrine, would possibly come into existence, enveloping the relations between her on the one part and contiguous territories on the other. I do not, however, think, that Mr. K. M. Panikkar's scheme (adumbrated in his book *Future of South-East Asia*) for the organization of a defence zone for South-East Asia, in which India has to move about as the principal orb, round which the satellite countries are to revolve, with us in this country shouldering the main burdens both in terms of finance and even man-power and materials, would ever become a practical proposition, simply because we have not the slightest desire to get mixed up in the politics or the fortunes of our neighbours, for such a course would inevitably lead to a lesser Imperialism for India, which will not, however, be less heinous than the major Imperialism of Britain, against which we are revolting with such sublimated purpose during all these long decades of our national struggle. When I know that India has not as yet received in full, (though I concede that Burma has been temporarily occupied by the Japanese during the past few years) the Howard-Nixon annuities, which were intended to liquidate the enormous debt Burma owed India, on account of the development work carried on in that country during the eight decades of her membership of India at the expense of the Indian tax-payer and before arriving at which an enormous amount of rancour was generated in the Land of the Pagodas, I cannot see how any proposition of the type of Mr. Panikkar's can ever appeal to the intellect, emotion and even the interest of this country. On the other hand, the primary proposition for India must necessarily be one of almost ruthless consolidation (using the words in their generic sense) of her resources and man-power, in order that it would make possible for the building up of a State, which would become strong and united and respected by the world community and the world organization of the future.

I regret that the bodies which have recently been established in this country for the discussion of questions of this character, *viz.*, the Indian Institute of International Affairs and the Indian Council of World Affairs, have not as yet set about their tasks with the reality and conviction born out of national needs. For one thing, their contribution to the discussion of our national problems, in terms of the international *regime* of the present and the future, has been too maudlin to deserve any serious notice. For another, they are confined either to secret conclaves, as in the case of the Institute, dominated by the Government and the vested interests of the ruling race, or lost, as in the case of the Council, in a vain pursuit of academic approach to questions initiated by non-descript foreigners on the problems of the Pacific

and the like. Representation on behalf of these bodies has been and is being arranged to international conferences of a regional or limited character, like the periodical Pacific Relations Conference, and it would appear that the authorities concerned in this country are mightily pleased when a paper is read or a word is spoken by some of their stooges at these conferences, with a premium put upon the abuse on Gandhiji, the destruction of the concept of a unified Indian State, or the vilification of Indian social organization.* I am afraid that this type of intellectual mediocrity, which is shorn of all contact with national needs, is bound to continue, as long as the present order of things, in which the ruling power continues to know the art of manipulating the marionettes, who are to be paraded before the world as constituting delegacies to international or inter-statal conferences.

INDIA AT FUTURE PEACE CONFERENCE

This is the place for me to examine, on the basis of a projection into the future, the question of India's representation at the future Peace Conference. Events are still confusing enough to prevent the formation of first principles concerning the organization and work of the future Peace Conference. The Egyptian Premier has recently announced to the world the right of his country to be represented at the Conference table, followed by General Franco as a tail piece to the international history of the present war. He would not have made this claim if he had not the doubt that the future Peace Conference might not follow the precedent of the Peace Conference of Paris in 1919. Egypt belongs to a category of countries which may be called belligerent neutrals, the neutrality being actively loaded in favour of the Allied Powers, and Egypt is a country of pivotal importance to the problems and politics of the Near East and the Mediterranean littoral, an importance which goes back to the time of the Pharoahs and which cannot be impunged for all time. But for Egypt's passive assistance to the Allies, the rout of Rommel in North Africa would not have been conceivable, and El Alamein, Benghazi and Siddi Barani would have continued to remain as insignificant place names in the District Gazetteers of North Africa. Still Egypt seems to be apparently very gravely concerned about her future, with reference to organizational set-up of the future Peace Conference and of the world community.

Some doubts exist in India about her own place in the future Peace Conference. The belligerency of India has become a fact, even before the people of the country heard about the declaration of war by the Viceroy on behalf of our Princes and people. Even

* I plead guilty to the charge that I was persuaded to write Chapter III of this book for presentation to the British Commonwealth Relations Conference. This is an extraordinary opportunity which came my way and which I was unwilling to miss, if only for the purpose of presenting the true nationalistic case to the world on India's foreign trade.

the merest mockery of consultation with what has come to be known the long and rump parliament of the country, *viz.*, the effete Indian Legislative Assembly, which was elected on the very restricted franchise of the Montague-Chelmsford Reforms as far back as 1934 and which still continues to function in 1944, was not there. It is true that Lord Linlithgow, within a few weeks after the declaration of war on behalf of India and in the wake of the belligerency of the country becoming an established fact, sent for political leaders including Gandhiji and Mr. Jinnah for consultation, for the expansion of his Executive Council with, however, results which are far too negative to detain us here at the moment, and leading us on to the failure of the Cripps' negotiations noticed in an earlier section of this chapter. After the failure of the Cripps' negotiations, there was undoubtedly an expansion of the Executive Council and a few more Indians than ever before, whose only claim for office seems to be dependability by the Imperial Power on their loyal co-operation, have come to carry on the administration of the country in the name of the Crown, but not even with the assistance of the faultily constituted and the unnaturally and officially balanced Central Legislature in existence. The fundamental question arising out of the problem of the future Peace Conference is necessarily the right, or the lack of it, on the part of the Executive Council of the Governor-General in India, variously called the Governor-General-in-Council or the Government of India, under the inevitable instruction from the Great Mogul in London, to declare peace and to lay down the conditions of peace, in the same manner in which their predecessors, on a restricted Executive Council of the Governor-General, had declared war and laid down the conditions of war for the people of this country.

It is not for me here to delve into the history of the past six years of war and to bring up the serried items of hardship and privation which India had gone through, in order that the war effort of the Allies might not be impeded, as represented by inflation, destruction of the internal purchasing power of the rupee, scarcity of goods and services, loss of export markets, malnutrition, supply of two million combatants, and a host of other factors, which naturally entitle this country to representation at the future Peace Conference on a basis of parity with the so-called principal Allied Powers. The question is whether India would have this opportunity at the future Peace Conference, even though I am not for the moment forgetting that there might not be this Peace Conference at all and that, if the principal Allied Powers are to have their own way, there might be something like a Grand Council of the principal Victor Powers to lay down the peace of the world, with what consequences to the future well-being of the world community I cannot as yet say. Whether it is a triumvirate of Victor Powers or a regular Peace Conference which is to come into existence in the fullness of time for the specific purpose of laying down the broad principles of inter-

national security, justice and peace, the problem of India *vis-a-vis* Britain cannot occupy a back seat. That is to say, if a triumvirate of the principal Victor Powers is to decide the fortunes of the world community, India must be permitted to appear at the bar of the triumvirate for pressing her claim for justice. If, on the other hand, a regular Peace Conference is to be held on the lines of the Paris Peace Conference of 1919, India must have an opportunity to participate in it, untrammelled by any restriction of a constitutional or political character arising out of age-long traditions pertaining to the British Crown and the British Empire.

There is no question that India would permit herself to be dragged into a Peace Conference as an appendage to the United Kingdom delegation, with a super-imposed type of subordinate co-operation as was in evidence at the time of the last Peace Conference and in the League of Nations set-up already noticed by us in the first chapter of this book. Actually, there had been in the selection of delegates to the various international conferences a regression in the fortunes of this country, in so far as the present war period is concerned. During the inter-war period it had been the practice of the Government of India to select as much as possible, individuals from the public life of the country —of course it is not conceivable that either the Congress or the Muslim League would send its principal spokesmen to go out of the country even if chosen by the Government of India!—with the result that a semblance of approach to the enunciation of the larger national interests of the land had been arrived at. During the present war period, however, barring the two Indian non-official delegates to the International Monetary Conference at Bretton Woods, such of the delegations which went out of this country were either almost virtually official in character (official in the sense that they were represented by individuals drawn from the Executive Council of the Governor-General or the Indian Civil Service), and did not even have non-official Indian advisers to assist these officials as was the case during the inter-war period. It is true that to the recent International Business Conference at Rye in the New York State, a delegation composed entirely of non-official Indian business men was sent, but this was not a Conference at which the governments of the world Powers were represented, but was purely an international conclave of business men drawn from every part of the world, of course, excluding the Axis Powers, for the purpose of enabling them to think aloud their common problems of the post-war period, with the result that these non-official representation at this international conference did not bind the Government of India on the decisions the Conference had taken.

The Rt. Hon'ble V. S. Srinivasa Sastri had eloquently notified the Government of India and the world at large of the fact that the appointment of Mahatma Gandhi as the principal plenipotentiary from India to the future Peace Conference would alone be accepted by the four hundred million peoples of this

country, and the countless millions of suppressed peoples wherever they be, and that he alone would be able to bring sanity to the Round Table at which the peace of the world is to be planned. I have in the first chapter of this book indicated the manner in which powers plenipotentiary were given by the King to Indian delegates to international conferences and in respect of ratification of international conventions binding India. In the present mood of the country I am not sure whether, even if the suggestion of the Rt. Hon'ble Srinivasa Sastri is accepted by the British Government, Mahatma Gandhi would like to be vested with powers plenipotentiary under the Great Seal of the Realm of His Majesty the King. India has always demanded, during the past twenty years in particular, a treaty with Britain, on the lines of the Anglo-Irish Treaty or the Anglo-Egyptian Treaty of a later period, at which covenants between two great peoples were arrived at, on the basis of free discussion among representatives of the peoples concerned who were elected on the widest possible franchise which the ingenuity of human mind could contrive. It will be almost fantastic if a Peace Conference is to lay down the structure of the world community and organization, without the Indo-British problems being settled on an enduring and equitable basis. We in this country have demanded, and demanded with one voice, the need for the immediate establishment of a Constituent Assembly, which would be able to draft a Constitution as demanded by even Sir Stafford Cripps on behalf of His Majesty's Government in 1942. Once this hurdle is cleared, the plenipotentiaries of India could necessarily go out of this country to any future Peace Conference with all the panoply of representative power, even if such power and representativeness are to be circumscribed by the simple fact of His Majesty the King fixing his signature along with the Great Seal of the Realm to the document which will go before the credentials committee of the conference, provided the Constituent Assembly, which frames the Constitution, which in itself is to become the basis of the treaty between India and Britain, does not forthwith demand the secession of the country from the British Commonwealth and Empire.

It is thus clear that the settlement of the Indo-British question is a condition precedent for the exercise by India of her full rights at any future conference, on the basis of honour and self-respect. Students of international affairs have come to recognize the possibility facing the world of more than one Peace Conference, that is to say, a Peace Conference to lay down the framework of international society and organization in the post-war period with reference to the European Continent, and another enveloping the fortunes of what may loosely be termed the Pacific Zone. On the contrary, as I had occasion to indicate earlier, we may not have a Peace Conference at all for either the West or the East, while only the principal Victor Powers constitute themselves into a triumvirate and lay down the law for the world as a whole. I have a feeling born out of conviction that a

settlement of the Indian question is possible, even in terms of the restrictions of the time factor, leisurely enough and in advance of the Peace Conference with reference to the West and certainly with reference to the East. Indeed, the proposals of Mr. William Phillips, the personal representative in India of President Roosevelt, which had been known in this country in their fundamental principles for nearly two years and which were partially made public in November 1944, *i.e.*, a proclamation by His Majesty the King setting down a date for the enlargement of the freedom and liberty of the people of this country and inviting the leaders of India to come together and to form a Constitution as a prelude to the settlement of Indo-British relations; the opportunity for an influential American to become the chairman of this conference which is to be held at any place other than Delhi, so that the bureaucracy would not be able to exercise its influence over the assembled delegates and to contrive the failure of the Second Round Table Conference as was secured in London in 1931; a guarantee by the heads of State in the United Kingdom, the U.S.A., China and the U.S.S.R. that a constitution for India, leading up to something like a convenant between Indian and British peoples would become possible and would rest upon enduring foundations —surely, these are propositions which contain within themselves the essential ingredients of a lasting settlement between India and England on the one hand, and between the supposedly fratricidal political parties in this country on the other.

If, however, Britain in her mood of victorious elation refuses to utilize the time factor still available and to bring about an Indian political settlement sufficiently in advance of the future Peace Conference or Conferences, and persists in parading "Indian" marionettes as in the case of the Paris Peace Conference of 1919, I am sure there would be a violent reaction in India to the other extreme. That is to say, in case India is baulked of her opportunities to attain complete nationhood and to function at the table of the Peace Conference of the future, as a country with honour and equality with the rest of the world, the secessionist and more or less republican school of thought would gain the upper hand, leading to consequences far more catastrophic than any peaceful determination of the Indo-British problem might bring into existence.

I do not think that Britain would like to have, with reference to this country, a repetition of the events which led to the sustained emergence of neutrality as in the case of Eire during these long years of the present international war, or the recrudescence of republican sentiment of the most dangerous type which certainly is to lead to secession from even the British Commonwealth of the Union of South Africa. It is a trifle fantastic for the outside world to believe that Eire is still a member of the British Commonwealth of Nations, that Eire is neutral dominion' in the present international war, and that Eire in a formal diplomatic *demarche* successfully claimed from Britain, even as late as

November, 1944, the right to give asylum to war criminals whether it be on grounds of humanity and justice and of the interests of Eire herself. But Irish neutrality is a fact, very much as South African republican sentiment is a fact of tremendous import to the future British Commonwealth, to which India is supposed to belong, more or less on terms analogous to the penultimate stage in the evolution of her Dominionhood.

I doubt very much if India would become republican in sentiment and structure during, at any rate, my lifetime, for the simple reason that the framers of the Constitution of this country have to reckon with six hundred Indian States which are monarchical in structure, and also with the portent of *Pakistan*. That is to say, unless the Indian States are completely wiped out, there is no question of an Indian Republic coming into existence, even assuming that India was able to reckon with Britain in the only manner in which all patriotic Indians wish it. I have often felt that if only Britain recognizes this fundamental factor, there is still a way for the preservation of India's freedom within the framework of the British Commonwealth, even if that position is to become analogous to that of Eire or South Africa as exists at the present moment. I do sincerely wish that Britain recognizes this point and cashes in on sentiment of such profound importance not only to the evolution of India's political and constitutional problems, but also with a view to the preservation of the Indo-British connection, on a basis which is honourable to Britain and which does not destroy the essential rights and interests of India. If Britain does not realize this, the proposition that India should continue to remain within the framework of the British Commonwealth of the future would find its bottom knocked out, and Britain would be assisting India, even if in a negative manner, to consolidate her position with a view to getting away from the Commonwealth, and also getting away from monarchy, whether it be with respect to the British connection or as pertaining to the satrapies and principalities which go under the common name of Princely India.

The Cripps' Offer specifically provided for secession of India from the Commonwealth. That was in the spring of 1942. All these long months of our national frustration since that Offer was made (and withdrawn if only to show to the world the untenability of the Indo-British settlement during war-time, simply because Indians are supposed to continue to disagree among themselves), have convinced me of the fact that even if the Cripps' Offer was accepted and became the basic foundation on which Indo-British relationships are to be delimited and the political and economic problems of India are to be solved, India would not at all have seceded from the British Commonwealth. That is to say, there are a thousand and one things pertaining to the Indo-British connection of the past three hundred years which have to be liquidated, *e.g.*, commerce, investment, defence, *etc.*, before secession of India is conceivable. The assumption in this

discussion is that India is to peacefully evolve her political future and to delimit her relations with Britain. A major revolution in India, of the type known to recent history in Russia, might make it possible for India to get away from monarchy and to evolve a republican form of government. I do not shudder to think of the consequences of an upheaval of this character, but I do know that there is still time for Britain to deal with India in terms of honour, justice and even self-interest, which are capable of avoiding sanguinary episodes in terms of world history and evolution. If Britain does not heed to the call of duty and justice, or even to friendly advice from countries like the U.S.A., China and U.S.S.R., she cannot stop the hand that writes on the wall and continues to move along. There is still time left for Britain to salvage her position in India without detriment to herself, and without continuing to deny freedom to 400,000,000 people. And it is for Britain to decide when and how soon to come to grips with the Indian problem in terms of the catastrophic international developments which are taking place these days. Freedom, justice and food for the world have no meaning if they are to be denied to India. India would certainly surge forward to obtain all these on the basis of her own innate strength and unity, even if in the process a tremendous amount of destruction of moral and material assets as between Britain and herself is to be gone through. It is for Britain to do the right thing at the right time, or to face the consequences of delinquency in terms of the colossal human drama now being brought to more or less early and successful close.*

INDIAN SOVEREIGNTY AND INTERNATIONAL RECOGNITION

The assumption by India of national sovereignty is thus a very necessary step to the stabilization of our position in the world. National sovereignty is the vehicle for the expression in terms of depth and grandeur of a nation's soul. Such sovereignty must necessarily be indivisible and complete, if it is to have any effect upon the hundreds of millions of people in India who are

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* This is what I said in an interview on arrival from London in Colombo after witnessing the virtual failure of the Second Round Table Conference: 'Mahatma Gandhi never minced matters when he put forward the Indian National Demand before the Conference, the British public and the world at large, but a conspiracy of circumstances has brought up a series of developments which shatter all prospects of a successful settlement of the Indian question......

"Great Britain has never known to do the right thing at the right time, and I fear she will not do anything at the moment to meet fully the Indian political demand, but Congress has nothing to lose by the failure of the Conference......"

Interview to the *Ceylon Independent*, Colombo, November 16, 1931, copied by the *Hindu* of Madras, November 24, 1931.

(I am afraid Britain might not do the right thing by India even during these pregnant years of international crisis.)

making such a sustained bee-line to assume it, and the vaster thousands of millions of people abroad who are to recognize and respect it.

The external aspect of the recognition of India's sovereignty must necessarily take the course of a series of bilateral and multilateral covenants between India on the one part and individual countries in the world, particularly the major group, on the other, and also a sort of multilateral clearance of the long-standing Indo-British politico-economic problems, even of the type indicated by Mr. William Phillips in his letter to President Roosevelt noticed earlier in this chapter. The Irish Free State, before she became the Eire of the present-day, succeeded, even as against British opposition in registering with the Secretariat of the League of Nations the Anglo-Irish Treaty of 1922, in order to ensure the validity of that bilateral agreement between herself and Britain in the eyes of international law and international society. The Anglo-Egyptian Treaty of 1936 conforms to a category by itself, with more or less equal validity in the eyes of the world. I daresay that when some sort of a pact or covenant is arrived at between India and Britain, a suitable procedure would be available to ensure that the instrument concerned is accepted as valid both in terms of law and fact by the rest of the world. If the League of Nations is to be revived at all and if the essential framework of international diplomacy is to be re-erected, I am sure India would have a place in them which certainly is not inferior to that of either Eire or Egypt.

As a consequence of this external recognition of India's sovereignty and nationhood, there must necessarily be the requisite diplomatic and semi-diplomatic corps accredited to almost all the principal countries of the world with which India is to have her relationships regulated in terms of politics, foreign trade, Indians overseas, *etc.* A full-fledged diplomatic and consular corps must come into existence with Indian nationals accredited to the principal countries in the world looking after the interests of this country. At the moment we have already the rudiments of this diplomatic and consular corps, by whatever names the offices of Indian representatives abroad are designated. We cannot continue the ludicrous system of selecting Britishers as India's representatives abroad, even with reference to either Britain or the British Commonwealth and Empire, *e.g.*, like the present Indian Trade Commissioner in London, who is an Englishman. The nationality of Indian representation abroad must be guaranteed to be Indian always.

Examining the present rudiments of India's diplomatic and consular representation abroad, it will be seen that there is the greatest possible need for the existing Commerce and Foreign Departments to surrender some or the whole of their functions to the Commonwealth Relations Department, so that the future of

an Indian External Affairs Department is laid on secure foundations. The Indian High Commissioner in South Africa is definitely a subordinate to the old Indians Overseas and the present Commonwealth Relations Department, but it is to be feared that the recently appointed Indian High Commissioner to Australia is to generally take his orders from the Commerce Department and not from the Commonwealth Relations Member. It is also clear that the Indian High Commissioners in London, Cape Town and Canberra, the Indian Agent-General in Washington and such other diplomatic or semi-diplomatic representatives who are likely to go out of this country to represent our national interests abroad, and who today are controlled by other Departments of the Government of India, must soon be brought into the scheme of things advocated so far. The creation of a truly national External Affairs Department for this country, as is available in the Eire, Australia, *etc.*, without its sole responsibility to the Viceroy but presided over by a popular member of the Central Government, would alone give complete satisfaction, not only in regard to the solution of the problems of emigrant Indians overseas but also with respect to the great brood of Indian problems abroad which exist today and which threaten to become bigger and vaster after the conclusion of the present international hostilities.

There is a Representative of the Government of India in Ceylon and another accredited to the *emigre* Government of Burma today. There had been Agents of the Government of India in Malaya and Burma before those countries fell to the Japanese occupation. The principle has been accepted that, wherever possible, the Government of India would appoint similar agents in other countries in the world where Indians today are resident, *e.g.*, Fiji, British Guiana, East Africa, Mauritius, *etc.*, and a resolution was accepted by the Government of India in November, 1944, enunciating, not for the first time, the policy of this representation overseas. Alongside of these Agents in some of the countries where the interests of our resident overseas communities are predominant, and in the case of other countries where our interests are commercial in character, *e.g.*, East African territories, there is also provision for Indian Trade Commissioners who naturally function in a distinct sphere of their own, and who are amenable to the dictates of the Commerce Department of the Government of India, *e.g.*, at Hamburg, Milan and Tokyo before the present international hostilities. It is stated that an Indian Trade Commissioner is to be appointed to South Africa and that he is to work under the general supervision of the Indian High Commissioner who, as has been indicated above, is under the control of the Commonwealth Relations Department. I would suggest that wherever necessary and possible the general Indian agency and the special trade agency should work hand in glove, and that whatever

might be the complexities of official procedure at New Delhi, it should distinctly be understood that the general Indian agency in some of the countries where Indians are settled these days, particularly in Ceylon, Malaya and Burma, and where they have to be created either now or after the conclusion of the present international hostilities, must predominantly represent Indian views and sentiments. I am sure that I have established the point that, in the ultimate analysis, the problems of Indians overseas today are not merely racial, though seemingly so on the surface, but are specifically economic in character, and that the greatest possible need exists for the extension of Indian commerce to these countries, not only for the distinct purpose of meeting the specialised requirements of our own nationals, but also for the purpose of enabling the countries concerned to grow richer and to become more contented than ever before.

The character of Indian agency representation abroad under the *aegis* of the Commonwealth Relations Department must also be altered to a very great extent. Our Agent in Ceylon belonged all along to the Indian I.C.S., though recently Mr. M. S. Aney went out as our Representative, in exchange for similar Ceylonese representation in India, first in the person of the late Sir Baron Jayatilaka and now through an official in-charge. Largely due to the agitation I had kept up, the status of our Agent in Malaya before the Japanese occupation was raised, and instead of a Provincial Deputy Collector a member of the I.C.S. was regularly sent out to that country till a few years ago. In Burma also the Indian Agent was a member of this particular heaven-born service, though today Mr. Jamnadas Mehta is the Representative accredited to the *emigre* Burma Government in Simla. In the case of South Africa a succession of eminent men, interspersed with a sprinkling of senior I.C.S. people, was in evidence during the past seventeen years. There had been a certain element of bathos in the displacement of the Rt. Hon'ble Srinivasa Sastri and the late Sir K. V. Reddy by Kunwar Sir Maharaj Singh (Provincial Service), and Sir Raza Ali by Sir Rama Rao (I.C.S.), who himself was succeeded by Sir Shafat Ahmad Khan. I consider that however eminent these members of the Indian Civil Service or for that matter even these public men might be in their respective spheres, there is the greatest possible need for some sort of a regularisation and improvement in our agency work abroad. I strongly advocate the view that the Commonwealth Relations Department should have vaster trained personnel, drawn from public life wherever possible, which would have the experience, equipment and study necessary for any of its members to discharge the agency functions abroad, either at Colombo or Cape Town, Mombaza or George Town, Rangoon or Suva. I know the difficulties involved in this proposition, but a way out should be found, if the Indian High Commissioners and Agents abroad, whose principal duty is

in particular to protect the interests of our resident communities overseas, are to deliver the goods. If I am not mistaken, there had been evident a certain amount of incompetence on the part of some of the Agents and Representatives who were selected during the past two decades and sent across to look after the interests of our resident communities overseas.

I would rather like a sort of a pool of trained and proved talent annexed to the present Commonwealth Relations Department, from out of which the selection of men for work on behalf of overseas Indians could be made from time to time. The British Foreign Office and the Foreign Offices of some of the big Powers in the West have not only got competent and trained personnel, not necessarily always belonging to the Diplomatic Civil Service at their disposal, but also freely draw upon the public life of the country whenever they select men for diplomatic duties abroad. I am convinced that nothing short of a specified period of training and equipment for a suitable cadre of official and public men would meet the requirements of the future, and I say this with some knowledge of the experience of the Government of India in selecting two or three Indian Trade Commissioners for duty in overseas countries. The I.C.S. is a competent service and, I might concede, is composed of high-souled public servants. But I am not satisfied that dependence upon this almost inexhaustible source for agency work abroad is what we in this country need. Experience in recent years has convinced me that selection from the I.C.S. of persons for agency work overseas has become a scramble for seniority and promotion, whatever might be the individual merits or the lack of them of the candidates. It would be a very sad day for India if agents and representatives of the Government of India, who are to look after the fortunes of Indians overseas in the future, are to be drawn on considerations of mere seniority or nepotism.

The formation of a full-fledged diplomatic and consular corps, as well as an agency cadre, to look after the vital interests of Indians overseas and of trade in the lesser countries of the world, must necessarily take some time, even though, as I have said earlier, we have already a nucleus of these essential adjuncts to the expression of India's national sovereignty. Once our diplomatic and consular corps and other lesser officials go out in any representative capacity to look after the various interests of the Mother Country, there would be complementary reception in our midst of similar representatives from almost every country in the world, thus leading to an interchange of personnel, which is capable of functioning as the true interpreters of the aims and aspirations of all the countries concerned, besides looking after the specific interests of the world communities in juxtaposition. Indeed, apart from discharging

purely formal or official functions, this interchange of personnel, which should necessarily be drawn from the best elements in the public life of India and the world abroad, would also function as cultural embassies linking up the world into a common pool of collaboration which is capable of subserving the needs of humanity as a whole.

The fight for Indian freedom is a fight for India's national sovereignty and recognition by the rest of the world, in terms of equality and self-respect with the biggest of the big Powers on the face of the earth. India's national sovereignty should necessarily be such as would transcend the limitations implied in the composition of the British Commonwealth of Nations. The economic and social well-being of 400,000,000 people in this country is bound to become a factor of fundamental importance to the weal of mankind. The colossal foreign trade of India should obviously become a factor for the economic stability of the world as a whole. Four million Indians overseas stand united in almost every part of the world as belonging to something like an Indian Foreign Legion, but without any aggressive world designs. Surely, India's place in world politics of tomorrow would be one of tremendous significance to the future of mankind. I only hope and trust that wisdom and strength would be available to the people of India to ride the crest of the uncharted seas of the world, as yet only sampling untried national liberty and international co-operation on the basis of national sovereignty and world recognition.

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